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## Introduction

### MEASURING UP

Measuring Up, which is part of the government's commitment to be open and accountable to the people of Alberta, endeavours to go beyond reporting financial information by answering the question: What outcomes did the government achieve? This is accomplished by reporting on the progress the government has made toward achieving the 14 goals presented in the 2005-08 Government of Alberta Three-Year Business Plan. Essentially, Measuring Up reports on whether the government actually did what it said it was going to do, if it achieved the outcomes it said it would achieve, and whether the government is progressing toward achieving its goals.

To provide an objective report, a suite of performance measures has been established for each of the goals and published in the government business plan. The performance targets are set so that they are challenging given the resources available to achieve those targets. The measures, targets, and surrounding discussion and analysis are intended to assist the reader in assessing the social, economic and environmental impacts that government policies, programs and strategies are having in progressing toward the government's goals.

### LINK TO MINISTRIES

In addition to the performance results in Measuring Up, more detailed performance information is reported in ministry annual reports published each fall. Ministry performance information reports on ministry business plan goals and related measures that are linked to the government goals.

### LOOKING AHEAD

The 2006-09 Government Business Plan, published as part of Budget 2006, shows the government's current strategic priorities for achieving its goals. These strategic priorities reflect the government's response to changes in circumstances, external events and issues of importance to Albertans.

## Performance Highlights

- **Value-Added Exports** – Exports are a vital part of Alberta's economy. In 2005, value-added exports were estimated to be \$26.4 billion, continuing the year-over-year growth seen since 2003 (\$21.3 billion). This is considerably higher than the 2005-06 target of \$24.5 billion. Although high global commodity prices played a role, several actions taken by the government also contributed to this result, such as: the implementation of the Alberta International Marketing Strategy and support provided to Alberta companies in making value-added export sales in key sectors such as building products, information and communications technologies, health and bio-industries and aerospace.
- **Tourism Industry Revenue** – Tourism revenues are estimated to be \$5.3 billion in 2005, slightly above the targeted \$5.0 billion and back up to levels seen in 2002 (\$5.4 billion). Revenue increases are partially attributable to the government's support of Alberta's centennial celebrations, emerging travel destinations within Alberta such as the Canadian Badlands, additional tourism projects and various marketing campaigns. With revenues from the 4% tourism levy (previously the 5% hotel room tax) invested back into Alberta's tourism industry, a sustainable source of funding will be available in future years to further strengthen Alberta's tourism industry.
- **Lifelong Learning** – In comparison to 2004-05, Albertans were much more satisfied with the access adults have to education and training, as the satisfaction level of individuals surveyed in 2005-06 increased to 79% from 69%. This is considerably higher than the target of 73%. Part of this increase was likely due to the government's commitment in 2005-06 to pay tuition increases at public post-secondary institutions, a commitment that will continue in 2006-07.

- **Sponsored Research at Alberta Universities** – In 2004-05, sponsored research revenue at Alberta universities increased to \$650.5 million, exceeding the target of \$606 million. This level of support is partially attributable to the significant capital investments the province made in large scale research facilities at Alberta universities.
- **Work Stoppages** – The process of appointing mediators and arbitrators to resolve differences that arise from collective bargaining disputes continued to be successful, as 98% of collective agreements were settled without a legal work stoppage (target was 98%). In total, the province appointed 113 mediators and 281 arbitrators.
- **Tax Load** – Alberta continues to have the lowest provincial tax load, with the total provincial and municipal tax load 78.7% of the Canadian average. To help ensure that Alberta's taxes remain fair and competitive, the province undertook a review of the tax system in 2005 and examined whether the current low rate, broad-based policy continues to be the best approach for the Alberta economy. Results of the review will continue to be used in the future to support and guide changes to Alberta's tax system, such as the 1.5% corporate tax rate reduction (from 11.5% to 10%) that became effective April 1, 2006.
- **Physical Condition of Provincial Infrastructure** – The government made a significant commitment to capital investment in health facilities, learning facilities, and provincial highways in order to ensure they are safe and effective. In 2005-06, the condition of learning and highway infrastructure that was rated as "fair" or "good" met or exceeded the respective targets. Alberta's Capital Plan continues to be successful in helping to maintain the overall physical condition of health, learning, and highway infrastructure, and for the 2005-08 period committed almost \$4.8 billion in support for these key infrastructure areas. The budgeted 2006-09 Capital Plan will provide an additional \$3.7 billion for these areas, bringing the 3-year support to over \$8.5 billion. This support includes: upgrades to health facilities; school infrastructure priorities; expansion and upgrades at universities; and upgrades to highways and accelerated road work.
- **Ease of Access to Physician and Hospital Services** – Access to publicly funded health services is a fundamental principle of the health care system and for health prevention and maintenance services. In a 2006 health survey, 78% of Albertans reported "very easy" or "easy" access to physician services, seven percentage points below the target of 85%. 67% of Albertans reported "very easy" or "easy" access to hospital services, six percentage points below the target of 73%. A \$54 million provincial investment over two years will support projects designed to improve province-wide access to health services and enhance the quality of patient care. Of these funds, \$12 million will be used to sustain the hip and knee replacement project, currently being piloted by three health regions. The bulk of the funds, \$42 million, will support the development of innovative models of care for health services such as cardiac care, breast and prostate cancer care, as well as the provincial rollout of the learnings from the new hip and knee model of care.
- **Albertans' Participation in Sports and Recreation** – Over the last four years, participation levels of adult Albertans have remained fairly constant, but below the established target (84% in 2005-06). In 2005-06, the government provided approximately \$9 million to provincial sport and recreation associations, active living agencies, and community based projects in support of sport and recreational activities. The province will continue to encourage participation in sports and recreation by furthering implementation of the Alberta Sport Plan in 2006-07.

- **Literacy and Numeracy** – Over the last several years, the literacy and numeracy of Alberta's students have not met the targeted levels, however, the percentage of students achieving acceptable standards for numeracy have increased in the past two years. In 2004-05, 78% of grade 9 students achieved acceptable literacy scores (target was 81%), with 68% achieving acceptable numeracy scores (target was 69%). In recent years the government has improved curriculum and instructional resources to support student achievement. The reduction of class sizes has also been a focus, with \$52 million invested in 2004-05, \$110 million invested in 2005-06, and \$126 million budgeted for 2006-07.
- **Drinking Water Quality** – In 2005-06, Alberta's regulated drinking water facilities and their operation improved. Safe and secure drinking water remains a high priority of the government, and over 2006-09, \$172 million will be provided to support the Water for Life strategy. This strategy includes support for: municipal water supply treatment, wastewater treatment, opportunities for regionalization, water monitoring equipment, quality control for testing drinking water, upgraded drinking water systems, drinking water operational initiatives and several other improvements.





## Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures and Societal Measures

### To the Members of the Legislative Assembly

Management is responsible for the integrity and objectivity of the performance results included in the *Government of Alberta 2005-06 Annual Report*. My responsibility is to carry out the following specified auditing procedures on performance measures and societal measures in the annual report. I verified:

#### Completeness

1. Performance measures and targets, and societal measures matched those included in Budget 2005. Actual results are presented for all performance measures and societal measures.

#### Reliability

2. Information in reports from external organizations, such as Statistics Canada, matched information used to calculate the actual results.
3. Information in reports that originated in the Government of Alberta matched information used to calculate the actual results. In addition, I tested the processes used to compile the results.

#### Comparability and Understandability

4. Actual results are presented clearly and consistently with the stated methodology and are presented on the same basis as prior years' information. Also, performance measure results are presented on the same basis as targets.

I found no exceptions when I performed these procedures.

As this examination was limited to these procedures, I do not express an opinion on whether the set of performance measures and societal measures is relevant and sufficient to assess the performance of the Government of Alberta in achieving its goals.

*[Original Signed]*  
Fred J. Dunn, FCA  
Auditor General

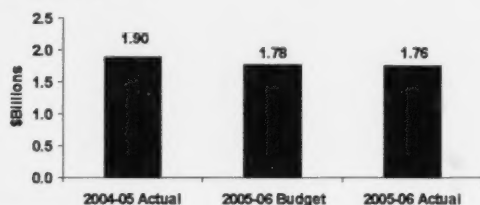
Edmonton, Alberta  
June 16, 2006

## Alberta will have a diversified and prosperous economy

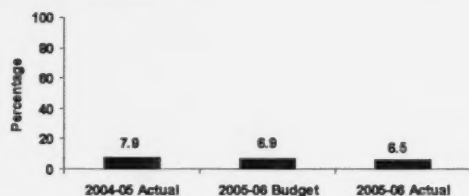
### Discussion and Analysis

Sustainable and diversified economic growth and prosperity are highly valued by Albertans, and are essential to maintaining and improving Albertans' overall quality of life. Key to economic strength and stability are innovation and value-added diversification. In 2005-06, the Alberta government directed \$1,762 million toward the promotion of a diversified and prosperous economy.

#### Goal One Expense



#### Percent of Total Expense



This goal includes spending of the following ministries: Agriculture, Food and Rural Development; Economic Development, Energy, Finance; Gaming; Government Services; Human Resources and Employment; Infrastructure and Transportation; Innovation and Science; and Sustainable Resource Development.

Promotion and development of Alberta as a global energy leader continued in 2005-06. Four Ministerial Missions to the United States, plus attendance at the World Petroleum Congress in South Africa, solidified the recognition of Alberta as a global energy leader. Delegations were also received from many countries, including China, France, India, Kuwait, Mexico and the Netherlands. Industry investment in new development and expanded production of Alberta's oil sands was encouraged. Annual investment in oil sands reached \$10 billion in 2005 and cumulative total projected investment between 2005 and 2010 is forecast at \$45 billion.

New energy sources continue to be developed in Alberta. In 2005, Alberta generated

approximately 1,361 mega-watts (MW) of electricity from renewable sources, such as wind, biomass and hydro. A multi-stakeholder advisory committee provided recommendations to guide future coalbed methane development in Alberta. Coalbed methane is expected to make a substantial contribution to future Alberta natural gas production.

*Alberta continues to lead Canadian provinces and territories in wind powered electric generation.*

The Alberta Energy Research Institute (AERI), working with seven energy companies, has also undertaken studies to examine technologies with breakthrough potential for upgrading bitumen to high value crudes, refined products and chemicals.

Research plays a significant role in current and future industry development. Activities commenced in various fields. For example, through the Innovative Energy Technologies Program, 13 projects were initiated related to the increased recovery of oil, natural gas and

*New programs resulted in industry investments in energy research and improved resource generation.*

oil sands resources. These projects, which might not otherwise occur using existing technology, will result in \$340 million in spending by industry on innovative research.

The Government of Alberta, led by AERI, collaborated with stakeholders across Canada to create a new Energy Innovation Network to coordinate energy research and innovation in areas of strategic importance to Canada. In addition, the strong

*New energy network results in greater potential for CO<sub>2</sub> management and oil recovery opportunities.*

involvement of Alberta led to completion of Canadian technology roadmaps for clean coal and for carbon capture and storage. AERI supported ten multi-year projects leading to the development

## Alberta will have a diversified and prosperous economy

and adoption of clean coal technology. AERI provided technical leadership in areas of enhanced oil and gas recovery, heavy oil upgrading, alternate and renewable energy, and water management.

Mineral mapping of northern Alberta for stakeholders' use continued in 2005. Field maps of Mount Watt and approximately 143 townships in northwestern Alberta were released.

Three Regional Economic Development Alliances received ongoing support in a project designed to assist eastern Alberta businesses and communities to take better advantage of the business opportunities associated with the substantial military presence at Cold Lake, Wainwright and Suffield.

The Rural Community Economic Development Project under the Western Economic Partnership Agreement was initiated. The project, a joint effort between the provincial government and Western Economic Diversification, consists of three elements: regional economic development alliance funding, a community economic development project fund and provision of community economic development expertise.

The government provided leadership in knowledge-based industries by establishing the Alberta Life Sciences Institute, which will help guide research and technology commercialization in the growing industries of health, agriculture, forestry, water and the environment. Support was also provided to the new "wet lab" Biotechnology Business Development Centre, which will help young, growing biotechnology companies in Alberta unleash their innovative and commercial potential. Product development for local biotechnology and national health product companies is supported through the Alberta Research Council's Nutraceutical and Pharmaceutical Services.

To continue to position the agricultural industry for the future, the Federal/Provincial Agricultural Policy Framework (APF) invested \$2.84 million in the Agri-Food Discovery Place – a world class,

state-of-the-art innovation facility that gives Alberta a new capacity for research and innovation into value-added processing of crops and livestock products, new techniques for enhancing food safety, and novel technology for extracting or developing new high value health and wellness products and a range of

bioindustrial products from agricultural feedstocks. APF funding was also provided for the adoption of environmental farm plans, and for financial assistance for delivery of food safety systems to the post-farm processing industry.

To advance innovation in Alberta's strategic priority areas of human and animal health, agriculture and the environment, two research entities were established: Genome Alberta and the Alberta Prion Research Institute. The government was also a key resource in the completion of a new state-of-the-art facility for animal disease surveillance and testing as well as animal disease research and development.

To enhance Alberta's capacity to develop, attract and retain the high quality people needed to support innovation, resources were committed to the Alberta Heritage Foundation for Medical Research, the Alberta Heritage Science and Engineering Research Endowment Fund and iCORE. In 2005-06, the Alberta Heritage Foundation for Medical Research invested \$53 million in health research initiatives at Alberta's research institutions supporting 335 senior health researchers and about 600 young researchers in training. In 2005-06, the Alberta Heritage Foundation for Science and Engineering Research invested \$15.3 million in raising the quality of science and engineering research through support to 281 research leaders and

*In collaboration with a private sector partner, a new agrivalue incubator is being built to support and promote Alberta's burgeoning value-added and bioproduct sectors. The new facility will encourage emerging Alberta entrepreneurs to produce, market test, commercialize and expand new and innovative products.*

GOAL ONE

1

Alberta will have a diversified and prosperous economy

associates, 283 top students and 64 researchers working in Alberta companies. iCORE supported

*In 2005-06, the Alberta Heritage Science and Engineering Research Endowment Fund was increased by \$100 million. The Alberta Heritage Foundation for Medical Research endowment was increased by \$200 million.*

a total of 24 Industry and Research Chair awards, and over 250 of Canada's best graduate students in

information and communications technology.

To maintain Alberta's strong and vibrant economy, the government initiated the Building and Educating Tomorrow's Workforce strategy, which focuses on a broad range of initiatives to inform, attract, develop and retain a diverse and productive workforce for Alberta.

The Supporting Immigrants and Immigration to Alberta policy was established to coordinate immigration strategies such as international recruitment, recognition of foreign credentials and retention of skilled immigrants. It will help address skill shortages and support the successful transition of immigrants into Alberta's economic,

*To provide Albertans and British Columbians with improved access to trade, investment and employment opportunities by reducing or eliminating labour mobility barriers, the provincial government continued discussion on a new Agreement on Trade, Investment and Mobility between the two provinces.*

social and cultural life. The Provincial Nominee Program continued, allowing employers unable to fill skilled positions with

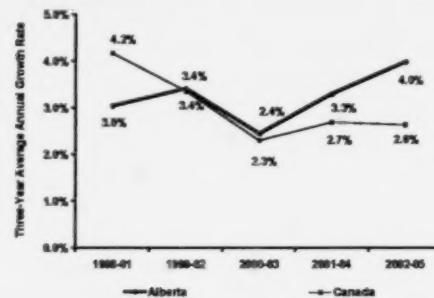
Canadian residents to present their business case to the Alberta Provincial Nominee Program and apply for approval to recruit a specified number of foreign candidates to fill these positions.

### Discussion of Measures

**Gross Domestic Product (GDP)** – GDP is a measure of the value of all final goods and services produced in Alberta in a given year. The

Alberta economy turned in an impressive performance in 2005, with a real GDP three-year average growth rate at 4%, improving on the three-year average growth rate of 3.3% in 2004. The Alberta economy enjoyed broad-based growth in 2005 that was supported by higher corporate profits, robust investment and construction activity, a healthy labour market, strong consumer expenditures and manufacturing.

#### Gross Domestic Product



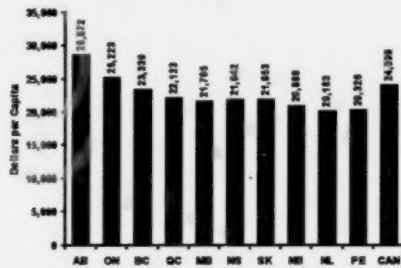
#### Distribution of Gross Domestic Product (GDP)

– To help strengthen Alberta's economy and enhance its long-term economic stability, the provincial government encourages growth of the province's value-added industries. In 2005, economic gains were similar to the previous year in most of the selected industry sectors. Agriculture and forestry's share rose by 0.2 percentage points to 2.5% as the 2002 drought that negatively impacted the share of this sector in 2003 and 2004 was no longer included in the calculation. Due primarily to a temporary decrease in oil sands production volume, mining and energy's share dropped by 0.3 percentage points to 16.0% in 2005. Business and commercial services declined marginally as output for this sector grew by a smaller percentage in 2005 than for the economy as a whole.

**Personal Disposable Income** – Personal disposable income per capita is an important measure of the well-being of consumers. At \$28,672, Alberta had the highest average personal disposable income per capita of any province in 2005, up from \$26,961 in 2004, and 19% higher than the Canadian average of \$24,099.

## Alberta will have a diversified and prosperous economy

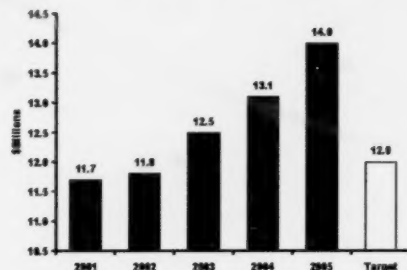
### Personal Disposable Income (2005)



### Investment in Manufacturing and Service Industries

Investment in manufacturing and service industries increased from \$13.1 billion in 2004 to \$14.0 billion in 2005, exceeding the target of \$12 billion. The significant growth in investment resulted from overall strong economic conditions in the province, including substantial investment growth for the energy sector, which had a direct impact on the industries that supply the energy sector's investment goods and services. High global demand and prices for commodities such as chemicals and refinery products were additional factors accelerating the growth. Also, the decline of the United States dollar versus the Canadian dollar made machinery and equipment more affordable and encouraged strong investment.

### Investment in Manufacturing and Service Industries



### Government Support for Innovation

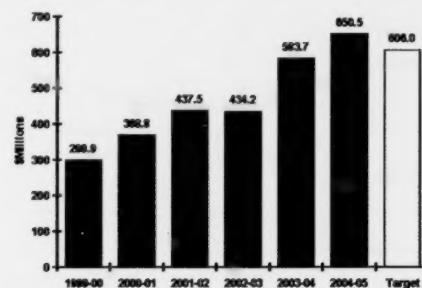
Investments by the Government of Alberta to support innovation totalled \$389.9 million and amounted to 1.6% of total expenditures. Investments in research, development and innovation are important components that support

the overall direction of the provincial government. The result demonstrates the government's commitment to innovation, through growth of actual investment in innovation.

### Sponsored Research at Alberta Universities

University research is a fundamental element of Alberta's innovation system and the province's success in the global knowledge-based economy. Research conducted in Alberta's universities contributes to innovative discoveries that have the potential for economic and societal benefits. It also provides an effective training ground for a highly qualified workforce. Success in acquiring and increasing sponsored research revenue is accomplished through highly competitive, excellence driven research activities. In 2004-05, sponsored research revenue at Alberta universities increased to \$650.5 million, exceeding the target of \$606 million. The increase is, in part, attributable to capital investments by the Government of Alberta in large scale research facilities at Alberta universities. Sponsored research funding has nearly doubled since 2000-01, reflecting Alberta's success in garnering research awards and new investments in research capital initiatives aimed at increasing the research capacity and capability of Alberta universities. The cumulative research success of a university and the building of an institution's research infrastructure are key determinants in attracting future resources.

### Sponsored Research at Alberta Universities





## Measures

Societal Measure(s)	1998-01	1999-02	2000-03	2001-04	2002-05
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**Gross Domestic Product (GDP)**

Three-year average annual growth rate of real GDP.*	3.0%	3.4%	2.4%	3.3%	4.0%
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Source: Statistics Canada – Provincial Economic Accounts, and Finance

**Distribution of Gross Domestic Product (GDP)**

Three-year average of the percentage of real GDP by selected industry sectors:

Agriculture and Forestry	2.9%	2.5%	2.3%	2.3%	2.5%
Mining and Energy	17.6%	16.7%	16.3%	16.3%	16.0%
Manufacturing	10.4%	10.2%	9.8%	9.7%	9.8%
Construction and Utilities	10.3%	10.6%	10.6%	10.4%	10.6%
Business and Commercial Services	9.6%	9.9%	10.1%	10.1%	10.0%
Other Services	49.2%	50.1%	51.0%	51.2%	51.1%
	(1999-01)	(2000-02)	(2001-03)	(2002-04)	(2003-05)

Source: Statistics Canada – Provincial Economic Accounts, and Economic Development

**Personal Disposable Income**

Current dollars per capita (inter-provincial rank).	\$24,709r (highest) (2001)	\$25,039r (highest) (2002)	\$25,718r (highest) (2003)	\$26,961r (highest) (2004)	\$28,672p (highest) (2005)
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Source: Statistics Canada – Provincial Economic Accounts

Performance Measure(s)	Previous Years' Result(s)	Current Result(s)	2005-06 Target(s)
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**Investment in Manufacturing and Service Industries**

Value of new capital expenditures on construction, machinery and equipment in Alberta's manufacturing and service industries. (Percentage change).	\$11.8 billion (1.2%) (2002)	\$12.5r billion (6.1%) (2003)	\$13.1 billion (4.6%) (2004)	\$14.0p billion (7.1%) (2005)	\$12.0 billion (6.0%)
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Source: Statistics Canada and Economic Development

**Government Support for Innovation**

Percentage of Government of Alberta expense used to support innovation.	1.63% (2001-02)	1.71% (2002-03)	1.54% (2003-04)	1.60% (2004-05)	Increasing up to 5%, as affordable, by 2015
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Source: Statistics Canada and Government of Alberta Annual Report

**Sponsored Research at Alberta Universities**

Total dollar value of sponsored research from all sources.	\$437.5 million (2001-02)	\$434.2 million (2002-03)	\$583.7 million (2003-04)	\$650.5 million (2004-05)	\$606 million
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Source: Research Funding at Alberta Universities 2004-05 Report, Innovation and Science

\* This measure was adjusted in 2005-06 to report real GDP instead of nominal GDP. Nominal dollars refer to today's dollar while real numbers are adjusted for inflation. Real GDP is a better measure of growth compared to nominal GDP because it removes distortions created by rising (falling) prices.

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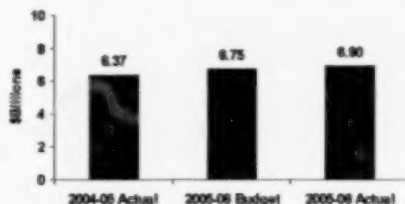


## Discussion and Analysis

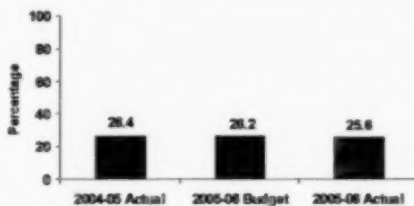
Quality lifelong learning and human resource development enables Albertans to become responsible, caring, creative, self-reliant and contributing members of society. In 2005-06, the Alberta government directed \$6,903 million toward the preparation for lifelong learning and work.

Results in the learning system are cumulative and reflect years of investment of resources and effort by the province, school boards, post-secondary institutions, staff throughout the system, learners and their families. The results indicate that Alberta's learning system provides high quality learning opportunities for Albertans and prepares them for lifelong learning and work.

### Goal Two Expense



### Percent of Total Expense



This goal includes spending of the following ministries: Advanced Education; Education; Human Resources and Employment; and Infrastructure and Transportation.

## Discussion of Measures

**Employment Rates of Albertans Aged 25-34 by Highest Level of Education** – Employment rates for Albertans aged 25-34 by level of education are

*Level of education is an indicator of employability.*

an indicator that young adults in Alberta are prepared for the

workplace. Individuals with more education typically have higher employment rates than those

with lower levels of educational attainment, suggesting that higher levels of education are related to enhanced employability. Survey results indicate that the employment rate of Albertans aged 25-34 whose highest level of education was high school completion only was 82% in 2005 and has remained stable over time, close to the target of 83%. Alberta's rate continues to be higher than the Canadian rate.

Employment rates among those with post-secondary certificates or diplomas, or with a university degree, have also been consistently high. Survey results indicate that in 2005, 87% of Albertans with a certificate or diploma aged 25-34 were employed, almost meeting the target of 88%. As well, 85% of Albertans aged 25-34 with a university degree were employed, compared to a target of 87%. Alberta's employment rate for those with post-secondary education is consistently higher in Alberta than in the rest of Canada.

**Literacy and Numeracy Grade 9** – Part of helping Albertans become independent is ensuring that they have the knowledge and skills to participate in a changing economy and workforce. An essential component of this is having the necessary literacy and numeracy skills to function in society. Students who achieve the acceptable standard on

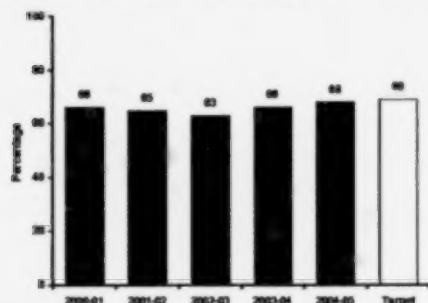
Provincial Achievement Tests have the

*Literacy and numeracy skills are necessary to function in society.*

necessary skills to become literate and numerate adults. The province keeps curriculum and instructional resources in core subjects up-to-date to support student achievement in these areas. In 2004-05, 78% of students in Grade 9 achieved the acceptable standard in the language arts achievement test, short of the target of 81% set for 2005-06. Also, in 2004-05, 68% of students in Grade 9 achieved the acceptable standard in the mathematics achievement test, close to the target of 69% set for 2005-06. This result has increased over time, with some variability from year-to-year.

### Numeracy

(Students achieving the acceptable standard in mathematics.)



To improve success for Kindergarten to Grade 12 (K-12) students and contribute to the development of students' reading, writing and math skills, in 2005-06 the province:

- Provided \$108 million to reduce class sizes in 2005-06, further reducing average class sizes in the K-12 system. In just two years, the majority of school boards have reduced

*Reducing class sizes contributes to enhancing students' reading, writing and math skills.*

average class sizes at all levels and have met or bettered the five-year

guidelines for average class sizes recommended by Alberta's Commission on Learning (ACOL), except for Kindergarten to Grade 3. This level is the focus of class size funding in 2006-07. Provincial average class sizes and ACOL guidelines are available online at: <http://www.education.gov.ab.ca/news/2006/March/nr-ClassSize.asp>.

- Provided \$70.2 million to school authorities for innovative projects under the Alberta Initiative for School Improvement (AISI) and supported innovation by sharing an additional 35 promising practices on the AISI online clearinghouse.
- Introduced an evaluation methodology to assess school jurisdictions on achievement and improvement on a common set of performance measures.

- Launched a bullying prevention public awareness campaign, targeting children 3-11 years, which includes an interactive website for children ([www.teamheroes.ca](http://www.teamheroes.ca)) and an information and resources website for parents and professionals ([www.bullyfreealberta.ca](http://www.bullyfreealberta.ca)) including a comic book, posters, fact sheets, and radio advertisements. Also, bully prevention "Starter Kits," containing fact sheets and posters were provided to nearly 6,200 community partners.
- Identified screening tools that identify three-year old children who are at risk and in-depth screening tools for speech and language delays.

The Adult Literacy and Life Skills Survey, conducted in 2003, found that 58% of Canadian adults (aged 16-65) possessed literacy skills in the top three (of five) levels of the prose scale, indicating that they could meet most everyday reading requirements. This result is consistent with the findings of the International Adult Literacy Survey conducted in 1994. At the same time, the percentage of Canadians scoring at the lowest level decreased from 17% to 15%, a slight improvement.

Alberta, along with British Columbia, Saskatchewan and the Yukon, had proficiency scores that were significantly above the national average in all four domains (prose literacy, document literacy, numeracy and problem solving).

**Educational Attainment of Albertans** – High school completion provides young people with entry-level knowledge and skills for employment and further study. Education programs in Alberta have demanding learning expectations for students. Completion of these programs is an indication that students are prepared for their next step, whether the world of work or further study.

Increases in high completion rates in recent years may reflect growing awareness among Alberta

*High school completion indicates that young people are prepared to enter the work place or post-secondary programs.*

youth of the relationship between their educational attainment and their

employability in the labour market, where jobs increasingly require higher-level knowledge and skills. Survey results indicate that in 2005, 91% of Albertans aged 25-34 completed high school. Results have improved slightly over time and the target for 2005-06 of 90% or higher was met.

In response to ACOL, a Task Force explored ways of improving high school completion rates in the K-12 system (which are lower than the completion rates for the 25-34 year-old population) and included a province-wide consultation. A series of roundtables will be held with youth across the province in 2006-07 to increase the government's understanding of why students leave school before completing. Following these, a high school completion symposium, which will include youth, parents and educators, will help to develop a provincial strategy to increase high school completion rates.

Completing post-secondary programs indicates readiness to start a career. People who attain higher levels of education demonstrate higher labour market participation, experience lower unemployment, and typically earn higher wages.

Government recognizes the importance of completing post-secondary programs. A substantial portion of provincial spending is directed to the post-secondary system each year.

*Substantial provincial spending is directed at the post-secondary system.*

At the post-secondary level, government supports and implements

initiatives directed at increasing accessibility by increasing the number of available seats at post-secondary institutions, by providing greater amounts of financial assistance to more students,

by capping the maximum relative contribution of tuition to the total of post-secondary institution revenues, and by promoting distance learning.

The percentage of Albertans aged 25-64 with post-secondary completion has been improving since 2001 and is similar to that for Canada as a whole. Alberta's result for 2005 (58%) was higher than the target of 57%. Alberta's strong economy, which provides ample employment opportunities for young adults, may negatively affect completion rates. As such, it is noteworthy that both high school and post-secondary completion rates are improving gradually even when jobs are plentiful.

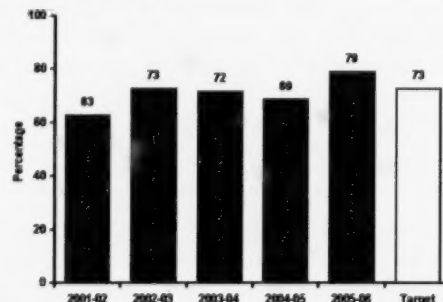
**Lifelong Learning** – Albertans are encouraged to keep learning and realizing their goals. The *Access to the Future Act* was proclaimed in October 2005. The Act focuses on key areas of accessibility, affordability and quality in the advanced education system. In

*A high percentage of the public surveyed indicated satisfaction that most adults have access to the education or training they want.*

2005-06, 79% of the public surveyed were satisfied that most adults have access to the education or training they want, which is significantly higher than the target of 73%. The improved survey result may have been affected by the implementation of the Centennial Tuition Fee Rebate. This rebate effectively froze tuition for students at the 2004-05 levels.

#### Lifelong Learning

(Public satisfaction that adults have access to the education or training they want.)



Approximately 18,000 new apprentices registered in 2005. The previous five year average was 13,086. Increased access to training in the trades was provided by recognizing prior learning and work experience, and by providing more flexible delivery of apprenticeship technical training, including mobile delivery, distance delivery, delivery via the Alberta SuperNet, on-site delivery, weekly (one-day-a-week) and competency-based apprenticeship technical training.

The Canadian Council on Learning published the 2006 Composite Learning Index in May 2006 (see details at <http://www.ccl-cca.ca/CCL/Reports/CompositeLearningIndex2/Resources.htm>). This index is based on 15 indicators used to measure the state of lifelong learning in Canada. Alberta's score of 80 was the highest of all provinces and significantly higher than the average for Canada as a whole (73).

**Adult Participation in Learning** – Adult participation in learning helps Albertans realize their potential. Adult Albertans were surveyed to determine if they have taken some education or training in the past 12 months. In 2005-06, 31% of Albertans aged 25+ reported that they had participated in credit and non-credit courses, above the target of 30%. Some of the initiatives undertaken to further improve this rate include the policy framework emerging from the A Learning Alberta review that supports improving access for all traditionally under-represented groups including Aboriginal, immigrant and rural Albertans. As part of the review, government established the Aboriginal Education Sub-committee to develop recommendations for policy actions to increase participation in learning opportunities by Aboriginal groups. As well, the government and the Alberta Apprenticeship and Industry Training Board worked with employers, Aboriginal communities, and Aboriginal youth to encourage participation in trades-related careers.

**Skill Development** – To remain competitive in the global economy, Alberta businesses and industries require a highly skilled and productive workforce. The Campus Alberta Quality Council established criteria for reviewing graduate and undergraduate programs to ensure that graduates have high quality skills and abilities. In 2005-06, survey results indicate that 90% of Alberta employers were satisfied with the skills and quality of work of recent high school and post-secondary graduates from the Alberta learning system. These results are similar to results in previous years. The target of 90% was met. When post-secondary graduates are considered alone, satisfaction levels are slightly higher (94%).

Employer satisfaction with recent graduates indicates that Alberta's learning system is meeting industry's need for skilled workers, which supports the government's overall policy of sustaining economic progress and competitiveness in the province. Alberta's learning system responds to employer needs by providing up-to-date programs and expanding programs in high demand fields. Economic conditions in Alberta may influence employers' perceptions.

*Alberta's learning system is meeting industry's need for skilled workers as indicated by the high level of employer satisfaction.*

The province reviews curriculum standards on a regular basis, and maintains rigorous high school completion requirements, to ensure that students acquire strong foundational skills and employability skills in the K-12 system. Learner Career Pathways is being implemented to improve opportunities for learners to explore career options. As well, the province is working to improve success for learners by enhancing transitions between educational programs and work.

The Alberta government established the Leading in Learning and Skilled Workforce Initiative to address the increased demand for skilled labour in light of sustained economic growth in Alberta. Strategies were adopted to encourage increased

*Strategies were adopted in the Leading in Learning and Skilled Workforce Initiative to address increased demands for skilled labour.*

industry participation and investment in the apprenticeship and industry

training system and to ensure the apprenticeship and industry training system is responsive to the needs of industry. The new *Post-secondary Learning Act* now allows colleges and technical institutions to participate in applied research, providing another avenue to increase skill levels of all graduates.

The provincial government also provided programs and services to assist persons with disabilities, youth, immigrants, Aboriginal people and older workers to develop skills to increase their labour force participation. For example, Youth Connections initiatives, career fairs and school presentations were provided to increase youth attachment to the workforce; the First Nations Training to Employment Program; and the Advantage 50 Plus program to provide older workers with a wide variety of employment preparation services.

Visitor sessions to the Alberta Learning Information Service (ALIS) website increased to over three million. Visitors accessed information on career choices and planning, post-secondary education and training, educational funding and

*There has been an increase in the number of visitors to the Alberta Learning Information Service website.*

planning, job search and employment, and labour market trends.

The ALIS

website also included new and enhanced features for immigrants and international students, as well as updated wage and salary information for 2005.



## Measures

Performance Measure(s)	Previous Years' Result(s)			Current Result(s)	2005-06 Target(s)
<b>Employment Rates of Albertans Age 25-34 by Highest Level of Education</b>					
High school completion.	82% (2002)	84% (2003)	81% (2004)	82% (2005)	83%
Post-secondary diploma or certificate.	87% (2002)	87% (2003)	87% (2004)	87% (2005)	88%
Post-secondary degree.	86% (2002)	88% (2003)	85% (2004)	85% (2005)	87%
Source: Statistics Canada – Labour Force Survey					
<b>Literacy and Numeracy</b>					
Percentages of all students in Grade 9 who achieve the acceptable standard on Provincial Achievement Tests:					
Language Arts	79% (2001-02)	78% (2002-03)	78% (2003-04)	78% (2004-05)	81%
Mathematics	65% (2001-02)	63% (2002-03)	66% (2003-04)	68% (2004-05)	69%
Source: Education					
<b>Educational Attainment of Albertans</b>					
High school completion (Age 25-34).	89% (2002)	89% (2003)	90% (2004)	91% (2005)	90% or higher
Post-secondary completion (Age 25-64).	57% (2002)	56% (2003)	56% (2004)	58% (2005)	57%
Source: Statistics Canada – Labour Force Survey					
<b>Lifelong Learning</b>					
Public satisfaction that most adult Albertans are able to access the education or training they want.	73% (2002-03)	72% (2003-04)	69% (2004-05)	79% (2005-06)	73%
Source: Advanced Education and Education					
<b>Adult Participation in Learning</b>					
Participation rate of Albertans 25+ in credit and non-credit courses.	30% (2002-03)	28% (2003-04)	29% (2004-05)	31% (2005-06)	30%
Source: Advanced Education and Education					
<b>Skill Development (biennial survey)</b>					
Employer satisfaction with recent graduates' skills and quality of work (includes high school, apprenticeship and post-secondary graduates).	n/a	90% (2001-02)	89% (2003-04)	90% (2005-06)	90%
Source: Advanced Education and Education					
n/a Comparable data not available.					

For more information, see the measures methodology at <http://www.finance.gov.ab.ca/publications/measuring/measup06/index.html>



# 3

GOAL THREE

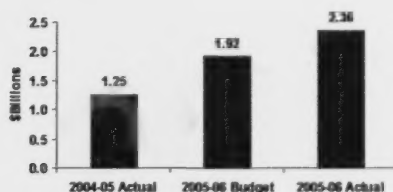
## Alberta's international competitiveness will be enhanced

### Discussion and Analysis

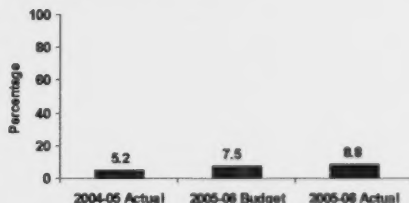
Global competitiveness is key for sustaining the momentum of the Alberta economy. Global competitiveness is determined by numerous factors, including natural resources, climate, labour skill levels, and investment in human and physical capital, as well as the strategy and business model of individual companies. The government encourages growth of the province's international exports and tourism, promotes Alberta as an attractive trading partner, and provides market intelligence and business services to internationally active Alberta companies.

Alberta's transportation system is an integral part of the province's export-based economy, facilitating the flow of goods to local, national and international markets, so the government develops, preserves and maintains the highway network system, access routes and inter-modal trade corridors. To promote and develop human capital, the government supports opportunities for continued improvements in the skills and productivity of the workforce (see Goal 2). In 2005-06, the Alberta government directed \$2,364 million toward the promotion of Alberta's international competitiveness.

#### Goal Three Expense



#### Percent of Total Expense



This goal includes spending of the following ministries: Economic Development, Human Resources and Employment; Infrastructure and Transportation; and Sustainable Resource Development.

As part of the long-term planning process for the provincial highway network, a Provincial Freeway Corridor Management Plan was developed, and construction continued on the Alberta North-South Trade Corridor. Also, work with stakeholders and various jurisdictions continued for harmonized motor carrier regulations

*86% of the Alberta North-South Trade Corridor was completed, surpassing the 84% target.*

across Canada, such as ongoing efforts to

monitor, enforce and manage truck weight; dimensions and safety limits on provincial highways; and negotiations with Alaska, Yukon and British Columbia to address inconsistencies in vehicle weights and dimensions policies.

An external advisory committee, with representatives from transportation-related organizations and stakeholders, including municipalities, was established to review and provide advice on a broad range of provincial transportation issues. Feedback was provided on: the government's long-range infrastructure plan, which covered all modes of transportation; areas where funding should be targeted; and advice on legislative, policy and regulatory issues related to transportation. Through the Council of the Federation, Alberta

supported the development of a national transportation strategy called

*The government has been actively involved in working with Transport Canada on the small airport viability issue and options for future action.*

Looking to the Future – A Plan for Investing in Canada's Transportation System. This document identifies the strategic transportation networks in Canada and proposes a new federal policy to help support future infrastructure investments.

Alberta continued to participate in efforts to find a durable long-term solution to the softwood lumber trade dispute. In 2005, discussions took place between provinces aimed at developing a common approach to negotiating with the United States on this issue. The changes occurring in the global

## Alberta's international competitiveness will be enhanced

business environment have impacted the competitiveness of the Alberta forest products sector. A clear understanding of the drivers of change is an important step to addressing this competitiveness issue, so the government initiated a project in partnership with the Alberta Forest Products Association to explore potential new business models to maintain a vibrant and competitive forest sector.

Food safety is a vital factor for export trade, and the government continued to work with national partners to complete national technical reviews for On Farm Food Safety programs. In 2005, reviews were conducted for these programs in the product areas of bison, turkey, potato producers and packers, and grains, oilseed, pulses and special crops. The government also reviewed and revised food safety standards for provincial food processors and meat facilities.

As international markets reopened, following years of closure due to bovine spongiform encephalopathy (BSE), several programs and events were designed and implemented with the beef industry in key international markets to regain market share and successfully position Alberta beef for the future.

The government invested nearly \$14 million to increase Alberta's meat processing capacity. This spending included funding to establish research capacity and initiatives for growing value-added meat processing, and support for capital equipment purchases to increase slaughter capacity for cattle, bison and elk. Funding was also allocated to help the processing industry deal with environmental issues such as noise, waste, emissions and other industrial needs associated with developing new beef processing capacity.

Alberta's International Marketing Strategy (AIMS 2005) recognizes that Alberta's prosperity depends on attracting new investment and diversifying export markets. AIMS 2005 identifies key industry sectors and matches them with international markets where value-added trade and

investment opportunities exist for Alberta. Many incoming and outgoing missions were organized in countries such as China, Japan, Egypt, Spain, France, Kuwait, the United States, France, Mexico, Peru and Taiwan. Furthermore, the Premier participated in the World

Petroleum Congress in South Africa, which provided an opportunity for Alberta's energy sector to showcase its expertise to the world.

In 2005, the provincial government converted Alberta's 5% hotel room tax to the new 4% tourism levy, which allowed Travel Alberta to substantially expand its marketing initiatives. As well, the government worked with more than 60 communities in southeastern Alberta to develop and market

Canadian

Badlands as the

province's must-see destination. Two new charter flights from Japan were launched bringing additional international tourists to the province. Internationally, work has been initiated to grant approved destination status to Canada by China, paving the way for increased visitation.

### Discussion of Measures

**Total Goods Exports** – Exports are a crucial factor for sustaining Alberta's economic performance and its global competitiveness. Total goods exports grew by 17.2% to \$66.8 billion in 2004 and by 18.5% to an estimated \$79.2 billion in 2005. Overall high global economic growth resulted from higher commodity prices and higher volumes of Alberta's commodities being exported to destinations around the world, including China and the United States. Resumption of beef exports and a strong United States housing market also positively contributed to an increase in the value of total goods exports.

*With increased profile of Alberta on the world stage and high commodity prices, the value-added exports market shows recent growth.*

*Tourism visitation continues to increase.*

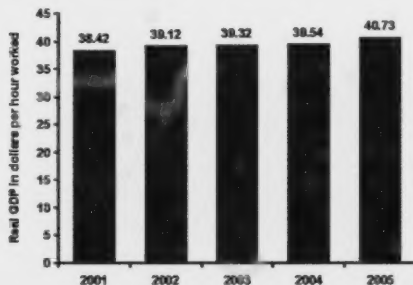
**Labour Productivity** – Labour productivity is a measure of the efficiency and competitiveness of an economy. Economic theory suggests that, in the long run, higher productivity growth is necessary for improving the overall standard of living and, at the same time, maintaining or enhancing the competitiveness of an economy. In 2005, Alberta continued to meet its target of maintaining the highest level of real labour productivity among the provinces, and was well above the national average. As part of the

*Alberta has had the highest level of real labour productivity among the provinces for more than five years.*

Building and Educating Tomorrow's Workforce strategy, the government

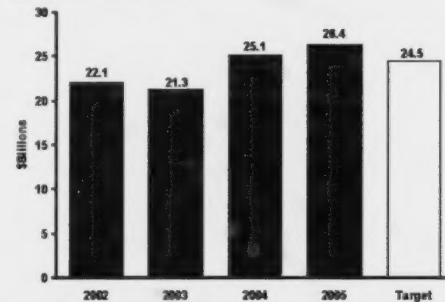
ensures Alberta is able to compete with an increasingly global and knowledge-based economy. Specific initiatives include the Lean Enterprise Assessment Program, which assists the manufacturing sector to enhance business processes and productivity.

#### Labour Productivity



**Value-Added Exports** – Exports are a vital part of Alberta's economy, and expanding the province's international value-added exports is important for sustaining Alberta's economic growth in a globally competitive marketplace. In 2005, value-added exports were an estimated \$26.4 billion, exceeding the target of \$24.5 billion. This substantial growth not only resulted from advantageous global economic conditions such as high global commodity prices, but also from a number of provincial strategies focused on expanding value-added exports.

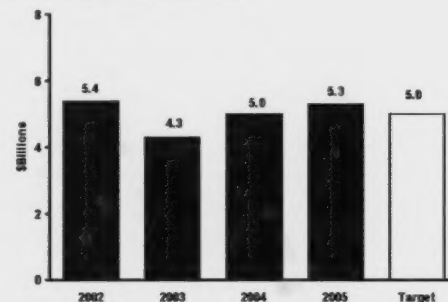
#### Value-Added Exports



**Tourism Industry Revenue** – In 2005, tourism industry revenue in Alberta was an estimated \$5.3 billion, exceeding the target of \$5.0 billion. In 2004, tourism visitation increased after a decline in visitors in 2003 resulting from BSE, Severe Acute Respiratory Syndrome (SARS), significant forest fires in British Columbia and the war in Iraq. Preliminary data from Statistics Canada for 2005 indicate 4% growth in visitation from other parts of Canada, a 2.5% decline in travel by United States residents and 6.4% growth in overseas visitation.

Increased number of visitors and tourism revenues are attributed to a number of factors: the Alberta centennial year, which saw increased travel by Albertans and other Canadians, recovery of confidence and a willingness by Japanese visitors to travel after the SARS outbreak was brought under control. In addition, in 2005, the Alberta government facilitated the development of emerging travel destinations in the province, such as the Canadian Badlands.

#### Tourism Industry Revenue



## Measures

Societal Measure(s)	1998-01	1999-02	2000-03	2001-04	2002-05
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**Total Goods Exports**

International commodity exports measured in current dollars, including primary agriculture, primary forestry, fishing and trapping, mining and energy, and manufactured goods. (Percentage change).	\$57.1r billion (2.8%)	\$48.9r billion (-14.2%)	\$57.0r billion (16.6%)	\$66.8r billion (17.2%)	\$79.2e billion (18.5%)
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Source: Statistics Canada and Economic Development

**Labour Productivity**

Real GDP in dollars per hour worked (inter-provincial rank).*	\$38.42 (highest) (2001)	\$39.12 (highest) (2002)	\$39.32 (highest) (2003)	\$39.54 (highest) (2004)	\$40.73 (highest) (2005)
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Source: Statistics Canada – Provincial Economic Accounts, and Finance

Performance Measure(s)	Previous Years' Result(s)	Current Result(s)	2005-06 Target(s)
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**Value-Added Exports**

International value-added exports measured in current dollars, including manufactured goods and services. (Percentage change).	22.1 billion (-5.0%) (2002)	\$21.3r billion (-3.8%) (2003)	\$25.1r billion (17.8%) (2004)	\$26.4e billion (5.3%) (2005)	\$24.5 billion (2.9%)
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Source: Statistics Canada, and Economic Development

**Tourism Industry Revenue**

Annual value of all tourism revenues in Alberta measured in current dollars, including expenditures made by residents and non-residents.	\$5.4 billion (2002)	\$4.3 billion (2003)	\$5.0r billion (2004)	\$5.3e billion (2005)	\$5.0 billion
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Source: Statistics Canada, Canadian Travel Survey and International Travel Survey, and Economic Development

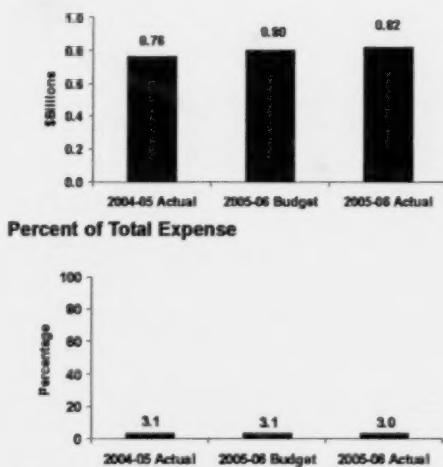
\* This measure was adjusted in 2005-06 to be consistent with the Statistics Canada productivity methodology.  
r Revised.  
e Estimate.

# GOAL FOUR **4** Alberta's children and youth will be supported in reaching their potential

## Discussion and Analysis

Families are the foundation to nurture the development of children and youth. Although parents have the primary responsibility of raising their children, communities, organizations, schools, businesses and governments all have supporting roles to play in helping to meet the needs of Alberta's children and youth. In 2005-06, the Alberta government directed \$818 million toward the well-being of children.

### Goal Four Expense



This goal includes spending of the following ministry: Children's Services.

The provincial government led the implementation of the cross-ministry Strategy for the Prevention of Family Violence and Bullying action plan. This resulted in legislative approval of proposed amendments to the *Protection Against Family Violence Act*, which will add a stalking provision, enhance remedies to protect all victims of family violence and improve the ability of judges and justices of the peace, police, and child intervention workers to act quickly in order to stop family violence and provide protection from further violence.

Through the Advancing Futures Bursary Program, a total of 529 youth, between the ages of 16-22 who have been or continue to be under the care of the province, had the opportunity to work toward

obtaining a high school equivalency, earning a degree, learning a trade and/or earning a license or certificate.

## Discussion of Measures

**Well-Being of Children** – To promote children reaching their potential, the Alberta government has programs and services that are designed to support Albertans in meeting their children's needs. Children living in low-income families may qualify for various government programs and services such as the premium-free health, dental and optical services, income support for families, child support services, childcare subsidies and recreational opportunities.

The Market Basket Measure (MBM) determines the cost of a "market basket" of specified goods and services. In 2000, 85% of Alberta's children were living at or above the MBM low-income thresholds.

*Majority of Alberta's children were living at or above the Market Basket Measure low-income thresholds.*

Alberta ranked second in the percentage of children living at or above the low-income thresholds compared to other provinces.

**Social and Emotional Development** – Children's development of appropriate behaviour is linked to their emotional-social wellness. This measure is expressed in two parts: percentage of children exhibiting age-appropriate personal-social behaviours; and percentage of children not displaying attributes associated with emotional problems or anxiety (i.e., children free of significant behavioural impediments for healthy emotional development).

*The level of emotional-social development is an indication of a child's ability to reach his/her potential.*

Measuring children's social development provides an indication of their level of emotional-social wellness as a determinant of ability to reach their



## Alberta's children and youth will be supported in reaching their potential

potential as individuals and citizens. Survey results indicate that in 2002-03, 85.9% of Alberta children, aged zero to three, exhibited age appropriate personal-social behaviours. The comparable national result was 84.3%. The target for this measure was to maintain or improve Alberta's result relative to the national average. The target was met. Alberta's result was 1.6% higher than the national average. The difference between Alberta and Canada for 2000-01 is 2.5 percentage points.

Measuring children's emotional development also provides an indication of the level of their emotional-social wellness as a determinant of ability to reach their potential as individuals and citizens. In 2002-03, 83.8% of Alberta children, aged two to five, did not display attributes associated with emotional problems or anxiety. Although this result is less than the previous survey year, it continues to be higher than the national results. The target for this measure was to maintain or improve Alberta's result relative to the national average. The target was met. For the 2002-03 survey year, Alberta's result was 0.5 percentage points higher than the national result. The difference between Alberta and Canada for 1998-99 and 2000-01 is 1.6 and 2.6 percentage points respectively.

**Parenting Skills** – Parenting style is one of the primary factors affecting children's outcomes,

*Positive parent-child interaction affects the outcomes of children.*

contributing more to the well-being of children than the

socio-economic status of the family or the community in which the family lives.

To support parents in this important role, 14 new Parent Link Centres, which are community-based resources, have been established to assist parents with the information and skills to give children the best possible start in life.

This measure, therefore, provides an indication of children's behavioural disposition toward achieving their full potential. In 2002-03, 94.3% of Alberta children, from birth to age five, were receiving positive interaction from their parents. This result continues to be higher than the national average. The target for this measure was to maintain or improve Alberta's result relative to the national average. The target was met. For the 2002-03 survey year, Alberta's result was one percentage point higher than the national result. The difference between Alberta and Canada for 1998-99 and 2000-01 is 1.3 and 3.5 percentage points respectively.



GOAL FOUR  
**4**

**Alberta's children and youth will be supported in reaching their potential**

**Measures**

Societal Measure(s)	2000	2001	2002	2003	2004
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**Well-Being of Children**

Percentage of children living in families with incomes at or above the Market Basket Measure (MBM) low-income thresholds (inter-provincial rank).

85%  
(2<sup>nd</sup>  
highest)

n/a\*

n/a\*

n/a\*

n/a\*

Source: Human Resources and Skills Development Canada

Performance Measure(s)	Previous Years' Result(s)		Current Result(s)	2005-06 Target(s)
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**Social and Emotional Development (biennial survey)**

Percentage of Alberta children demonstrating:

Healthy social development

n/a\*\*

n/a\*\*

Alberta:  
91.0%  
(2000-01)  
Canada:  
88.5%  
(2000-01)

Alberta:  
85.9%  
(2002-03)  
Canada:  
84.3%  
(2002-03)

Maintain or improve Alberta's result relative to the national average

Healthy emotional development

n/a\*\*

Alberta:  
87.8%  
(1998-99)  
Canada:  
86.2%  
(1998-99)

Alberta:  
89.1%  
(2000-01)  
Canada:  
86.5%  
(2000-01)

Alberta:  
83.8%  
(2002-03)  
Canada:  
83.3%  
(2002-03)

Maintain or improve Alberta's result relative to the national average

Source: Statistics Canada and Social Development Canada – National Longitudinal Survey of Children and Youth (NLSCY)

**Parenting Skills (biennial survey)**

Percentage of Alberta children, aged 0-5, whose parents are interacting positively with them.

n/a\*\*

Alberta:  
89.3%  
(1998-99)  
Canada:  
88.0%  
(1998-99)

Alberta:  
93.5%  
(2000-01)  
Canada:  
90.0%  
(2000-01)

Alberta:  
94.3%  
(2002-03)  
Canada:  
93.3%  
(2002-03)

Maintain or improve Alberta's result relative to the national average

Source: Statistics Canada and Social Development Canada – National Longitudinal Survey of Children and Youth (NLSCY)

n/a\* Current data was not available from the federal government.

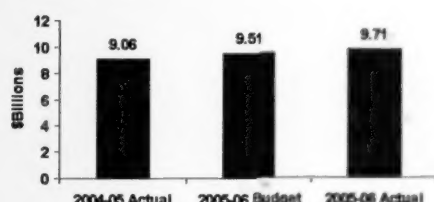
n/a\*\* Not applicable.

Note: Statistics Canada calculated the 2002-03 percentages using the cut-off points from 1998-99 data series. To maintain and improve comparability of year-over-year results, the 2000-01 percentages were recast (recalculated) using the 1998-99 cut-off points as well. However, recasting of the 2000-01 percentages does not affect the target status for the measures as reported in 2004-05 Measuring Up report.

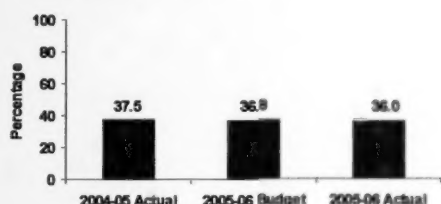
## Discussion and Analysis

Albertans are encouraged to realize their full health potential through informed lifestyle choices. The province contributes to the health of Albertans by encouraging and supporting healthy living, ensuring quality health services are available, and by leading the health system. In 2005-06, the Alberta government directed \$9,713 million toward the health care system.

### Goal Five Expense



### Percent of Total Expense



This goal includes spending of the following ministries: Finance; Health and Wellness; Infrastructure and Transportation; and Seniors and Community Supports.

The International Symposium on Health was conducted on May 3-5, 2005 in Calgary. The event featured

*The International Symposium on Health profiled best practices and innovations in health systems.*

over 400 participants and 28 experts from around the

world. Its goal was to identify innovations that drive excellent health systems and healthier populations.

## Discussion of Measures

**Life Expectancy at Birth** – Life expectancy at birth is a universally recognized indicator of the general health and well-being of a population.

*Life expectancies for males and females remain consistent over the years.*

In 2004, the life

expectancy at birth for males and females were 77.8 years and 82.6 years, almost meeting the target of 78 years and 83 years respectively.

**Self-Reported Health Status** – Self-reported health status is a good indicator of the health and well-being of Albertans. It is accepted across Canada as a means of reporting on population health. It measures the degree to which Albertans feel healthy compared to others their own age. Survey results indicate that in 2006, 88% of Albertans aged 18-64 years rated their health as “good”, “very good” or “excellent”. This is within 2% of the target of 90%.

Healthy U is a provincial initiative to promote the benefits of healthy eating and active living; and important

lifestyle factors that contribute to reducing the

*The Healthy U initiative promotes the benefits of a healthy lifestyle.*

risk of chronic diseases. The initiative includes the website [www.healthyalberta.com](http://www.healthyalberta.com), Healthy U Crew, Community Choosewell Challenge, Healthy U @ Work, the Premier’s Award for Healthy Workplaces, the Snackivity Box, and recipe cards. The three-year Keep Your Body in Check program used public awareness and community education to heighten awareness and reduce the risk of developing type 2 diabetes, by helping at-risk Albertans to take positive actions in their health.

**Participation in Healthy Behaviour** – Living a healthy lifestyle greatly contributes to an improved quality and length of life. Results from the Canadian Community Health Survey indicate that in 2005, more than half of the respondents were exercising regularly (55%), below the target of 58%; almost half were at acceptable weight levels (46%), below the target of 50%; and the percentage of Albertans that consumed 5-10 daily servings of vegetables (39%), is just below the target of 40%.

The Alberta Alcohol and Drug Abuse Commission (AADAC) launched the Alberta Drug Strategy: Stronger Together – A Provincial Framework for

# GOAL FIVE

## Albertans will be healthy

**Action on Alcohol and Other Drug Use.** The Alberta Drug Strategy (ADS) is a comprehensive, collaborative and community-based approach to

*A coordinated Alberta response to methamphetamine has been released by AADAC.*

prevent and reduce problems related to alcohol and

other drug use in Alberta. In support of the ADS, AADAC released the Coordinated Alberta Response to Methamphetamine. Efforts to reduce production, use and harm from this drug included support for community drug coalitions, education and public awareness, enforcement activities, legislation and treatment initiatives across the province.

AADAC developed and implemented a communications plan to inform Albertans about the introduction of the *Smoke Free Places Act*.

*The Smoke Free Places Act sets minimum standards to protect minors from second-hand smoke.*

This legislation sets minimum provincial standards for protecting

minors from second-hand smoke in public places. The communications plan included print and radio ads, a dedicated website and call centre, and province-wide public information sessions for municipalities and businesses.

Reflecting the province's commitment to Albertans and the recommendation of the MLA Task Force on Continuing Care, the Government of Alberta is implementing new and updated

*New and updated standards are being implemented for health and accommodation services in continuing care.*

standards for health and accommodation services in continuing care immediately.

The new standards lay the groundwork for a higher quality of life and health care for all Albertans receiving continuing care services in home, community and facility-based settings. The standards were developed after months of

feedback to the task force from continuing care residents and their families, industry stakeholders, facility operators and regional health authorities.

**Ease of Access to Physician and Hospital Services** – Access to publicly funded health services is a fundamental principle of the health care system and for health prevention and maintenance services. In a 2006 health survey, 78% of Albertans reported “very easy” or “easy” access to physician services, 7% below the target of 85%. 67% of Albertans reported “very easy” or “easy” access to hospital services, 6% below the target of 73%.

A \$54 million provincial investment over two years will support projects designed to improve province-wide access to health services and enhance the quality of patient care. Of these funds, \$12 million will be used to sustain the hip and knee replacement project, currently being piloted by three health regions. The bulk of the funds, \$42 million, will

*An investment has been made to improve access to health services and enhance patient care quality.*

support the development of innovative models of care for health services such as cardiac care, breast and prostate cancer care, as well as the provincial rollout of the learnings from the new hip and knee model of care.

Twenty-one telehealth initiatives across Alberta will benefit from over \$2.6 million in funding over the next two years through the Telehealth Clinical Services Grant Fund. The fund supports new telehealth programs that allow Albertans, regardless of location, to have access to needed medical professionals and specialists.

**Public Rating of Health System Overall** – Albertans' perception of the health system is reflected in survey ratings. Survey results include perception about the quality of care, service accessibility, the manner in which the service was provided, and the patient-provider relationship. In

a 2006 health survey, 65% of Albertans rated our health system as “excellent” or “good”. This meets the target of 65%.

An additional \$116 million provincial investment in the electronic health record system will support

*Alberta Netcare will connect more health professionals to patients' detailed results.*

province-wide technology enhancements and connect more health

professionals to the patient information they need to make the best care decisions. More than 300 health professionals will pilot an enhanced Alberta Netcare Electronic Health Record, which will provide users with a more intuitive and easy-to-access system. The upgrades will also give physicians across the province access to text reports of diagnostic imaging results for the first time. Diagnostic images will be accessible early in 2007, but for now, health professionals will be able to access the detailed analysis of results.

The provincial government and Canada Health Infoway will contribute a total of \$143 million and \$46 million respectively to invest in sophisticated new diagnostic imaging systems that will allow hospitals and clinics throughout Alberta to electronically share patient X-rays and CT and MRI scans through Alberta Netcare.

This year also marks a milestone for the availability of lab test results on Alberta Netcare. More than 55% of lab test results conducted in the

*Lab test results will be available electronically to health care professionals.*

province are now available electronically with 85% expected to be

available this summer. Lab test results will be available electronically to health care professionals. Recent studies in Canada found that for every 1,000 laboratory and radiology tests performed, up to 150 are unnecessary and for every 1,000 patient visits with a specialist, specialists received no patient information for 680 of those visits. Alberta Netcare helps bridge the

information gaps that compromise the quality and productivity of Alberta's health care system.

Alberta's first Primary Care Network launched on May 1, 2005. Primary Care Networks provide a wide range of value-added services.

Fourteen Primary Care

Networks now operate in seven health regions involving 550 family physicians providing services to more than 700,000 patients. In a Primary Care Network, family physicians work with health regions, specialists and other providers to offer comprehensive access to primary care services.

*Primary Care Networks provide a wide range of value-added services.*

Alberta will invest \$3 million for up to 14 additional residency seats for foreign-trained doctors now living in the province. Additional residency seats for foreign-trained doctors will increase the number of practicing physicians in Alberta. The additional seats

*Additional residency seats for foreign-trained doctors will increase the number of practicing physicians in Alberta.*

mean a potential 42 foreign-trained doctors will be licensed in the province annually. Because they have already had some medical training, foreign-trained doctors can often be trained more quickly and at less cost. This program is one of a number of strategies the province has in place to increase the number of physicians practicing in Alberta. This includes increasing the number of residency seats for medical students from 824 to 955, or 16%, since 2003, and a clinical program helping foreign-trained graduates to be physician assistants working under a physician.

Alberta actively contributed to the National Pharmaceutical Strategy as part of an integrated, comprehensive and collaborative approach to pharmaceuticals in Canada, including working with federal, provincial and territorial governments to develop options for national catastrophic pharmaceutical coverage.

# GOAL FIVE

## Albertans will be healthy

### Measures

Performance Measure(s)	Previous Years' Result(s)			Current Result(s)	2005-06 Target(s)
<b>Life Expectancy at Birth</b>					
Years of life for females.	82.4 (2001)	82.0 (2002)	82.3 (2003)	82.6 (2004)	83.0 years
Years of life for males.	77.0 (2001)	77.4 (2002)	77.5 (2003)	77.8 (2004)	78.0 years
Source: Health and Wellness, Vital Statistics Registry, Alberta Health Care Insurance Plan Stakeholder Registry					
<b>Self-Reported Health Status*</b>					
Rating as "excellent," "very good" or "good" (18-64 years).	90% (2003)	88% (2004)	89% (2005)	88% (2006)	90%
Source: HQCA Satisfaction with Healthcare Survey – Health Quality Council of Alberta; Public Survey about Health and the Health System in Alberta; Health and Wellness					
<b>Participation in Healthy Behaviour (biennial survey)</b>					
Exercise regularly – "active" or "moderately active."	n/a	52% (2001)	56% (2003)	55% (2005)	58%
Healthy Body Mass Index. **	n/a	49% (2001)	47% (2003)	46% (2005)	50%
Healthy eating – eat 5-10 servings of fruit and vegetables each day.	n/a	33% (2001)	39% (2003)	39% (2005)	40%
Source: Statistics Canada – Canadian Community Health Survey					
<b>Ease of Access to Services*</b>					
Rating as "easy" or "very easy."					
Physician Services	86% (2003)	85% (2004)	86% (2005)	78% (2006)	85%
Hospital Services	72% (2003)	73% (2004)	72% (2005)	67% (2006)	73%
Source: HQCA Satisfaction with Healthcare Survey – Health Quality Council of Alberta; Public Survey about Health and the Health System in Alberta; Health and Wellness					
<b>Public Rating of Health System Overall*</b>					
Rating as "excellent" or "good."	65% (2003)	65% (2004)	67% (2005)	65% (2006)	65%
Source: HQCA Satisfaction with Healthcare Survey – Health Quality Council of Alberta; Public Survey about Health and the Health System in Alberta; Health and Wellness					

\* Results for 2006 were from the 2006 HQCA Satisfaction with Healthcare Survey conducted by IPSOS; results for 2003-2005 were from the Public Survey about Health and the Health System in Alberta conducted by the Population Research Laboratory at the University of Alberta.

\*\* Healthy Body Mass Index was referred to as "Acceptable Weight" in Measuring Up 2005.

n/a Data not comparable.

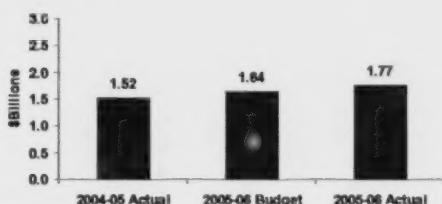


## Albertans will be self-reliant and independent and those unable to provide for their basic needs will receive help

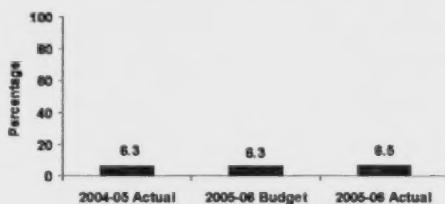
### Discussion and Analysis

Government has a role in building an accessible and inclusive society. Communities, organizations, and governments all have roles in ensuring that low-income Albertans, including seniors, unable to provide for their basic needs will receive help. Disability-related supports and services are provided to assist adult Albertans with disabilities so that they can be contributing members of Alberta communities. In 2005-06, the Alberta government directed \$1,766 million to assist Albertans to become self-reliant and to those unable to provide for their basic needs.

#### Goal Six Expense



#### Percent of Total Expense



Goal 6 expense amounts were adjusted from those published in the 2005-08 Strategic Business Plan to report lodge assistance funding under Goal 13, instead of Goal 6, as the funding is primarily directed at seniors.

This goal includes spending of the following ministries: Human Resources and Employment; Justice; Seniors and Community Supports; and Solicitor General and Public Security.

The Government of Alberta supported the self-reliance and independence of Albertans using a variety of approaches. Specifically, this was aided by: providing training to farm families through the Canadian Agricultural Skills Services program on behalf of the federal government; monitoring existing housing operations and facilitating access to provincially-owned land for building new affordable housing; and working with the City of Edmonton and the University of Alberta on the Families First Edmonton research project in order

to better coordinate support programs and lead to better outcomes for low-income families.

The government aided youth with addictions through the successful Bridges pilot project, which has now become a permanent program for male offenders.

Of the 29 youth that participated in Bridges, 18

*The Bridges pilot project aided youth with addictions.*

completed the program and six are still in the process of completing the program.

The government continued to renew the Assured Income for the Severely Handicapped (AISH) program. This included several financial support improvements, such as: an increase in the monthly living allowance; the introduction of personal income support benefits to meet the extra needs

*The government increased the Assured Income for the Severely Handicapped monthly living allowance to \$950.*

of clients, such as costs associated with emergency transportation, special diets, or caring for a guide animal; and an increase in the employment income exemptions, allowing clients to earn more income without affecting their AISH living allowance. Other program improvements that were implemented include: an expansion of the program that assists vulnerable clients in administering their AISH benefits and the introduction of the renewed *Assured Income for the Severely Handicapped Act*, which will allow the AISH program to be more flexible and responsive to client needs.

Through the Alberta Brain Injury Initiative, the government supported more than 3,000 people with acquired brain injuries and more than 200 other adults with disabilities that often fall outside existing department and program mandates.

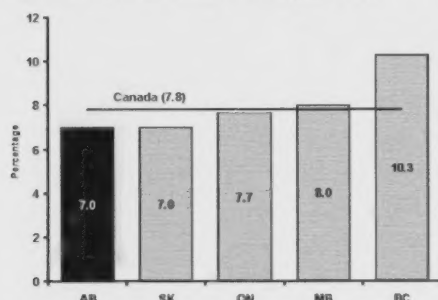
Three pilot projects aimed at providing continued support for adults with Fetal Alcohol Spectrum Disorder were also funded by the government through the Program Development for Persons with Disabilities Initiative.



## Discussion of Measures

**Economic Status of Albertans** – The Market Basket Measure (MBM) is a measure of low income, which considers the cost of a specific basket of goods and services in different communities across Canada. In 2000, 88% of Albertans were living at or above the MBM low-income thresholds.

Families in Low Income in 2004 (after tax)



More current data also supports Albertans' healthy economic status, as the average after-tax family income for an economic family of two persons or more was \$69,500. This is higher than Ontario and the other western provinces, and exceeds the

Canadian average of \$62,700. Alberta's income distribution also appears to be healthy as the percentage of families (two persons or more) with low income is 7%, which is tied with Saskatchewan for the lowest.

**Persons with Developmental Disabilities (PDD) Funded Services** – PDD Boards provide adults with developmental disabilities with living, employment and community access supports, which assists them in participating in the social, economic and cultural life of the province. In 2004-05, 85.8% of families/guardians (public and private) reported overall satisfaction with the PDD funded services received by the person to whom they provide guardianship. In their comments, survey respondents linked barriers to community living, such as lack of affordable, accessible housing and transportation, to overall levels of satisfaction for their family members with developmental disabilities.

Several initiatives and actions were taken in order to support individuals with disabilities, including creating more community employment opportunities for adults with developmental disabilities.

## Measures

Societal Measure(s)	2000	2001	2002	2003	2004
<b>The Economic Status of Albertans</b>					
Percentage of Albertans living at or above the Market Basket Measure (MBM) low-income thresholds (inter-provincial rank).	88% (2 <sup>nd</sup> highest)	n/a*	n/a*	n/a*	n/a*
Source: Human Resources and Skill Development Canada					
	Previous Years' Result(s)			Current Result(s)	2005-06 Target(s)
<b>Performance Measure(s)</b>					
<b>Persons with Developmental Disabilities (PDD) Funded Services (biennial survey)</b>					
Satisfaction, by families/guardians of persons with developmental disabilities, with PDD-funded services.	n/a**	90.4 (2000-01)	88.7% (2002-03)	85.8% (2004-05)	n/a***
Source: Seniors and Community Supports – Persons with Developmental Disabilities Family and Guardian Satisfaction Survey					

n/a\* Current data was not available from the federal government.

n/a\*\* Not available.

n/a\*\*\* Current target is unavailable for the Persons with Developmental Disabilities (PDD) Funded Services measure, as this is a biennial survey.

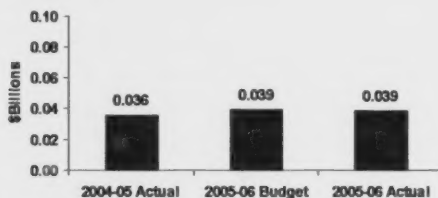
For more information, see the measures methodology at <http://www.finance.gov.ab.ca/publications/measuring/measup06/index.html>

## The well-being and self-reliance of Aboriginal communities and people will be improved

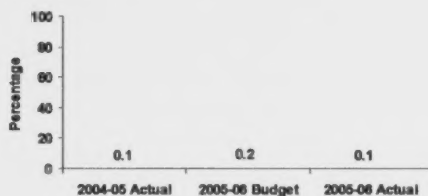
### Discussion and Analysis

Section 35 of the Canadian *Constitution Act, 1982* recognizes the Aboriginal people of Canada and affirms existing Aboriginal and Treaty rights. The province has developed ongoing relations with Aboriginal governments, organizations and communities in Alberta. Through the *Strengthening Relationships: The Aboriginal Policy Framework*, the province is committed to increasing the participation of Aboriginal people in the social and economic life of Alberta. In 2005-06, the Government of Alberta directed \$39 million toward Aboriginal issues not addressed under other government goals.

#### Goal Seven Expense



#### Percent of Total Expense



This goal includes spending of the following ministry: Aboriginal Affairs and Northern Development.

### Discussion of Measures

**Educational Attainment of Aboriginal Albertans Aged 25-34** – The high school completion rate of Aboriginals living off-reserve (aged 25-34) has remained fairly stable over the last three years, with 2005 survey results indicating a completion rate of 76%. Post-secondary completion of off-reserve Aboriginals (aged 25-34) declined slightly for a second year in a row, with survey results indicating a 39% completion rate. However, this decrease over the

three-year period is not statistically significant. In order to provide better data on the educational outcomes of Aboriginal students, the government has undertaken a data collection initiative to identify Aboriginal students in Alberta's Kindergarten to Grade 12 and post-secondary education systems.

*76% of off-reserve Aboriginal Albertans aged 25-34 reported completing high school, while 39% reported completing post-secondary education.*

The Alberta government encouraged Aboriginal education attainment by developing and implementing training programs for Aboriginal home school liaison workers. In partnership with the Alberta Apprenticeship and Industry Training Board, employers, and Aboriginal communities, the province also encouraged Aboriginal youth to participate in trades-related careers.

**Aboriginal Affairs** – In 2005, the Alberta government approval rating on Aboriginal relations was six percentage points higher than the average rating of the four nearest provinces. This exceeded the performance target, which was to be higher than the average of the

*The province's approval of Aboriginal relations remains 6% higher than the average of the four nearest provinces.*

four nearest provinces. The decline from last year (from 9% to 6%) was mainly a result of improved ratings in the other provinces, as the rating for Alberta has remained constant over the last few years (52% in 2003, 51% in 2004, and 51% in 2005).

The province continues to work at improving the well-being and self-reliance of Aboriginal people by further building relationships between the provincial government, Aboriginal governments and communities, industry, and other partners. This is reflected by Alberta's Aboriginal Policy Framework, and was supported by the Aboriginal Policy Initiative.

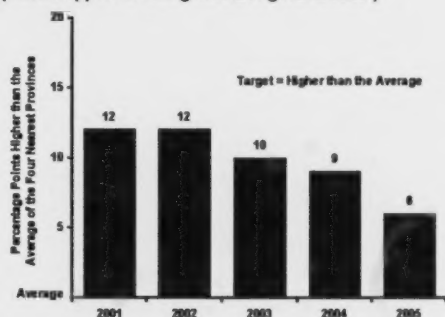
GOAL SEVEN

7

The well-being and self-reliance of Aboriginal communities and people will be improved

Aboriginal Affairs

(Public approval rating on Aboriginal issues.)



The government of Alberta, the federal government, and First Nations worked together to remove jurisdictional and regulatory barriers to major developments on First Nations reserves. This included assistance with the passage of federal legislation necessary to implement

approaches to remove barriers. An Alberta team was also established to work with industry, the federal government, and the Fort Mackay First Nation to design a project-specific implementation of the policy in the oil sands.

The government also worked on resource management strategies, and in May 2005, Cabinet approved the First Nations Consultation Policy on Land Management and Resource Development, which addresses the manner in which Alberta will consult with First Nations and defines the roles and responsibilities of all parties. This was supported by the implementation of initiatives that seek to build the capacity of First Nation communities to effectively engage in consultation processes.

Measures

Societal Measure(s)	2001	2002	2003	2004	2005
<b>Educational Attainment of Aboriginal Albertans Age 25-34</b>					
High school completion.	n/a	n/a	76%r	73%r	76%
Post-secondary completion.	n/a	n/a	42%r	41%r	39%

Source: Statistics Canada – Labour Force Survey

Performance Measure(s)	Previous Years' Result(s)	Current Result(s)	2005-06 Target(s)
<b>Aboriginal Affairs</b>			
Public approval rating on Aboriginal issues compared to the average of the four nearest provinces.*	12 percentage points higher (2002)	10 percentage points higher (2003)	9 percentage points higher (2004)
		6 percentage points higher (2005)	Higher than the average of the four nearest provinces*

Source: Environics Research Group Limited; Focus Canada reports, and Aboriginal Affairs and Northern Development

n/a Data not available.

r Revised.

\* The four nearest provinces consists of British Columbia, Saskatchewan, Manitoba, and Ontario.

Note: In the future, the performance measure "Participation in the Economy – Difference in unemployment rates of Aboriginal people and non-Aboriginal people," which was foreshadowed in 2005 Government Business Plan, will be reported in the Annual Report of Aboriginal Affairs and Northern Development.

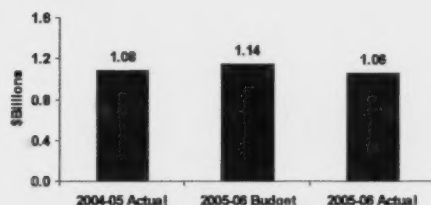
# GOAL EIGHT

## Alberta will have a financially stable, open and accountable government

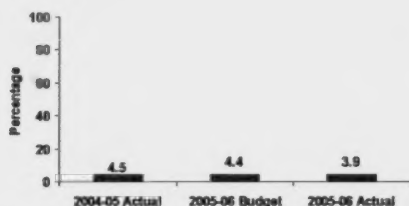
### Discussion and Analysis

Financial stability is essential for the government to be able to provide programs and services that are important to Albertans now and in the future. The government is dedicated to providing effective public policy and quality, affordable services for Albertans. It is also committed to being open and accountable to Albertans. In 2005-06, the Alberta government directed \$1,056 million toward the general administration of government and debt servicing costs.

#### Goal Eight Expense



#### Percent of Total Expense



This goal includes spending of the following ministries: Energy; Executive Council; Finance; Gaming; Government Services; Human Resources and Employment (Personnel Administration Office); Infrastructure and Transportation; Municipal Affairs; and Restructuring and Government Efficiency.

The Government of Alberta continues to work on improving both government efficiencies and Albertans' access to government services. The government has undertaken shared corporate administration systems, used strategic sourcing for office supplies and computer hardware, and expanded e-business services, such as electronic payment processing and electronic form management to automate traditional government business practices. Service Alberta, a source where Albertans can access government information and services, was reviewed to develop new business and service delivery models that are focused on issues such as governance, accountability, sustainability and functionality.

To further ensure that Albertans' information and privacy is protected, amendments were made to the *Freedom of Information and Protection of Privacy Act* that included provisions to protect personal information held by third party service providers from the application of the *USA PATRIOT Act*.

Alberta's non-renewable resource royalty system is designed to capture a fair share of resource revenue for Albertans from energy and mineral development, while leaving industry with sufficient return to cover costs, receive a fair profit and encourage

Alberta's non-renewable resource revenue in 2005-06 was \$14.4 billion.

further investment in the development of non-renewable resources. Albertans also benefit directly in other ways (e.g., jobs) from increased investment. Preliminary industry data for 2005 indicate \$21 billion was invested in conventional oil and natural gas development and \$10 billion in oil sands development.

### Discussion of Measures

**Provincial Credit Rating** – Alberta's credit rating is a broad measure of the province's financial stability. Alberta has maintained a blended credit rating for domestic debt of Triple A from all three major credit rating agencies – Standard and Poor's Rating Service, Moody's Investor Service Limited and Dominion Bond Rating Service, thereby achieving the target for this measure.

Highest possible credit rating maintained at AAA for domestic debt, for 6 years running.

Compared to British Columbia and Ontario, Alberta had the highest possible rating from all three major credit rating agencies. The high credit rating reflects the rating agencies' positive assessment of the province's fiscal, economic and political environment. The rating agencies cite Alberta's strong financial position, the government's commitment to debt repayment, and its record of balancing budgets and meeting forecasts as the key reasons for the top rating.

# GOAL EIGHT **8** Alberta will have a financially stable, open and accountable government

**Accumulated Debt** – The level of accumulated debt is an indicator of the financial strength and long-term stability of the province. Debt undertaken for operating spending burdens future generations with debt servicing costs and debt

*With accumulated debt no longer absorbing the province's surpluses, the government has an increased ability to invest in the province's priorities.*

repayment obligations. Alberta's prudent fiscal management is reflected in the government's

accelerated repayment of the province's accumulated debt. The province has set aside funds in the Debt Retirement Account to repay the remaining accumulated debt as it matures. The funds, which are locked in by legislation, eliminate the province's accumulated debt 20 years ahead of schedule.

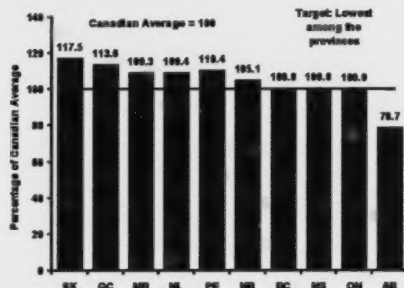
**Tax Load** – The government believes that the tax system must be fair, globally competitive and promote self-reliance. Alberta has a low single rate income tax. It is the only province without a

*Alberta continues to have the lowest tax load in the country.*

capital tax or retail sales tax, and has the lowest tax on

gasoline among the provinces. In 2005-06, Alberta had the lowest tax load (total provincial and municipal) among the provinces at 78.7% of the provincial average, the lowest in the country.

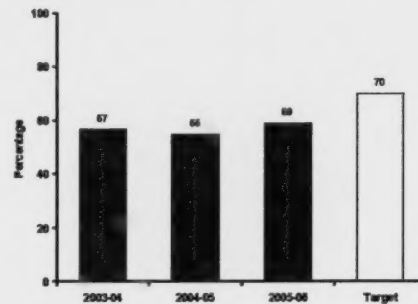
**Tax Load (2005-06)**



**Government Financial Accountability** – The provincial government reports quarterly to Albertans on progress made in achieving the current year's fiscal plan. The *Government Accountability Act* sets out the reporting requirements that provide government accountability. In 2006, Albertans were surveyed and asked the following question: "How satisfied are you with the information you receive from the Alberta government on the government's financial performance?" The 2005-06 survey results show that 59% of Albertans were satisfied with the information they received from the province on the government's financial performance. This is up from 55% in 2004-05 and below the target of 70%.

## **Government Financial Accountability**

(Albertans' satisfaction with information on government financial performance.)





GOAL EIGHT

**8** Alberta will have a financially stable, open and accountable government

**Measures**

Performance Measure(s)	Previous Years' Result(s)			Current Result(s)	2005-06 Target(s)
<b>Provincial Credit Rating</b>					
Blended credit rating for domestic debt.	AAA	AAA	AAA	AAA	AAA
Source: Finance; and Standard and Poor's Rating Services, Moody's Investors Service Limited, and Dominion Bond Rating Service	(2002-03)	(2003-04)	(2004-05)	(2005-06)	
<b>Accumulated Debt</b>					
(less cash set aside for future debt repayment).	\$4.7 billion	\$3.7 billion	nil	nil	nil
Source: Government of Alberta, Consolidated Financial Statements	(2002-03)	(2003-04)	(2004-05)	(2005-06)	
<b>Tax Load</b>					
Total provincial and municipal tax load as a percentage of the Canadian average (inter-provincial rank).	76.9% <sup>r</sup> (lowest)	75.4% <sup>r</sup> (lowest)	75.2% <sup>r</sup> (lowest)	78.7% (lowest)	Lowest among the provinces
Source: Federal Department of Finance, and Alberta Finance	(2002-03)	(2003-04)	(2004-05)	(2005-06)	
<b>Government Financial Accountability</b>					
Percentage of Albertans who think they get enough information on the government's financial performance.	n/a	57%	55%	59%	70%
Source: Environics Research Group Limited: Focus Alberta report, and Finance		(2003-04)	(2004-05)	(2005-06)	

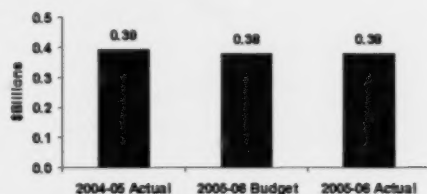
r Revised.  
n/a Not available.

## Alberta will have strong and effective partnerships with local, provincial, national and international governments

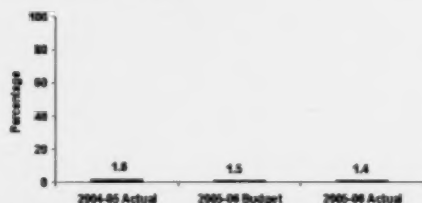
### Discussion and Analysis

The government works to promote the province's interests: as an equal partner in a strengthened, united Canada; through strengthened international relations; and from greater trade and investment liberalization, internationally and domestically. Municipalities provide a broad range of services to Albertans where they live, work and play. At the core of these services is a partnership between the province and Alberta's municipalities that provides for open, effective, accountable, and well-managed local governments. In 2005-06, the provincial government directed \$379 million to promote strong and effective partnerships with local, provincial, national and international governments.

#### Goal Nine Expense



#### Percent of Total Expense



This goal includes spending of the following ministries: Finance; International and Intergovernmental Relations; and Municipal Affairs.

As the 2005 chair of both the Premiers' Council of the Federation and the Western Premiers' Conference, Alberta was in a strong position to influence the intergovernmental agenda and to

*At key meetings, intergovernmental priorities and actions were influenced by Alberta's priorities and strategic direction.*

ensure that the main priorities for the Council identified by Premiers are consistent with

Alberta's intergovernmental priorities. A meeting

of First Ministers and National Aboriginal Leaders was held in November 2005 to discuss Aboriginal issues. The meeting focused on closing the socio-economic and living standards gap between Aboriginal and other Canadians over the next ten years.

Also, in May 2005 the Council of the Federation established an expert panel to examine the fiscal imbalance.

Alberta Ministers and officials met with the expert panel to provide Alberta's position on the fiscal imbalance and reforming federal/provincial relations.

*Alberta entered into cooperative bilateral agreements with British Columbia that will result in the reduction of overlap and duplication of work on issues such as the control of mountain pine beetle infestations and the sharing of Olympic training and competition facilities.*

Alberta also engaged the federal government in discussions on changes to the immigration selection process, streamlining the application approval process for permanent applicants and temporary foreign workers to address Alberta's labour shortages.

In December 2005, Alberta attended the World Trade Organization (WTO) Ministerial Conference, as part of the Canadian delegation and promoted Alberta priority issues (agriculture, trade remedy rules and market access for services and industrial products) with federal ministers, negotiators and delegations from other WTO members. Alberta successfully concluded more than two years of negotiations with British Columbia on a comprehensive bilateral trade, investment and labour mobility agreement.

*Alberta participated in ongoing softwood lumber litigation with the United States, and continued to work with other provinces on negotiating strategies for the resumption of discussions with the United States aimed at a long-term durable solution.*

## Alberta will have strong and effective partnerships with local, provincial, national and international governments

Alberta played an active role within Canada and with United States partners in responding to the United States government's Western Hemisphere Travel Initiative, which would impose additional documentation requirements on both Canadians and Americans seeking to cross the border into the United States.

Through its office in Washington, D.C., Alberta substantively raised the province's profile as a secure and increasingly important supplier of energy to the United States, as well as highlight the importance of addressing regulatory impediments to the efficient trade in energy products.

Alberta provided recommendations on the activities of the North American Free Trade Agreement (NAFTA) Commission, and participated with the federal government in discussions on the Security and Prosperity Partnership of North America, which deals with practical steps to improve the economic relationship in North America to complement and enhance what has been achieved in the NAFTA.

Provincial/municipal relationships have recently received attention through a reinvigorated Minister's Council on Municipal Sustainability. Four working committees were established to explore roles and responsibilities, new municipal revenue sources, municipal growth and inter-municipal relationships, and how any proposed changes would affect servicing differences between large and small, urban and rural municipalities.

The government encouraged and facilitated partnerships between municipalities in joint planning, innovation and shared delivery of services and programs through, for example, the Regional Partnerships Initiative. This initiative provided \$2.4 million in grants to 14 partnerships, comprised of 110 partner municipalities, to explore shared-services and related partnership opportunities in their respective regions.

Significant new provincial funding was provided to help municipal infrastructure debt. The Alberta Municipal Infrastructure Program was announced as part of Budget 2005 and will provide \$3 billion in provincial funding over five years for local

*In 2005-06, \$600 million was distributed to municipalities for various projects.*

infrastructure projects in Alberta. The government negotiated the Canada-Alberta Agreement on the New Deal for Cities and Communities in 2005, and \$57.2 million was distributed in 2005-06.

Contributions to the financial sustainability of local governments continued. The Municipal Sponsorship Program provided \$14.5 million to municipalities to help fund projects promoting innovation, cooperation and excellence in local

*Funding was provided to 333 municipalities for a variety of projects involving computers, municipal development plans, emergency communications systems and other municipal priorities.*

government. The government also provided \$24.8 million to 302 municipalities through the Unconditional Municipal Grant Program, which included a targeted assistance payment of \$10 million to 123 municipalities, and \$30.9 million to 170 municipalities as grants in place of taxes.

The government completed detailed assessment audits for 67 municipalities during the fiscal year. This concluded the first five-year cycle of the detailed audit program, which involved a comprehensive review of each municipality's assessment practices and procedures.

The government provides an independent system that administers appeals received by the Municipal Government Board (MGB), on matters as established by the *Municipal Government Act* and to issue timely and impartial decisions of high quality. In 2005-06, over 80% of the parties that were participants in the appeal process and

## Alberta will have strong and effective partnerships with local, provincial, national and international governments

directly affected by MGB decisions stated that they were satisfied with the fairness and efficiencies achieved in the hearing processes and the quality and timely delivery of MGB decisions.

To encourage the federal government to reform criminal law, Alberta took the lead on the issue of conditional sentences of imprisonment making our position very clear to the federal government that in order to maintain public confidence in the

*Alberta takes the lead on addressing concerns about criminal sentencing, via an array of efforts to influence the federal government's position on offence provisions.*

justice system those convicted of serious offences must face real jail time. Alberta also endorsed

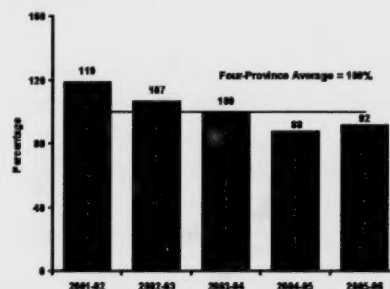
Parliament's action to pass Bill C-2 (Child Protection), which came into force in 2005. Significant elements of the Bill relate to mandatory minimum jail sentences for almost all child sexual exploitation offences, including all child pornography offences.

### Discussion of Measures

**Federal/Provincial Relations** – The government works to advance the province's interests in the Canadian federation. Public approval ratings reflect Albertans' perceptions of how well the provincial government is advancing the interests of Albertans within confederation. In 2005-06, Alberta's average public approval rating in federal/provincial relations was at or above the average approval rating of the four nearest provinces (British Columbia, Saskatchewan, Manitoba, and Ontario). Alberta's average public approval rating has increased since 2004-05, reversing a downward trend over the previous three years.

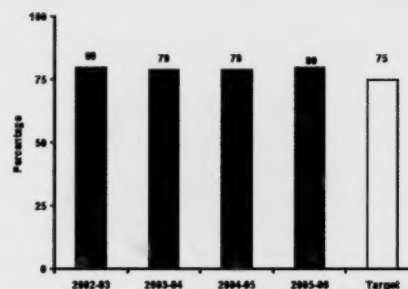
#### Federal/Provincial Relations

(Albertans' approval rating as a percentage of the four western provinces.)



**Albertans' Satisfaction with their Local Governments** – Albertans experienced continued satisfaction, for the most part, with their local governments. In a 2005-06 survey, 80% of Albertans were satisfied with their municipal governments, which is above the target of 75% and is approximately the same as the previous year's survey results.

#### Albertans' Satisfaction with their Local Governments



GOAL NINE **9**

**Alberta will have strong and effective partnerships with local, provincial, national and international governments**

**Measures**

<b>Societal Measure(s)</b>	<b>2001-02</b>	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>
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**Federal/Provincial Relations**

Public approval rating of the Alberta government in federal/provincial relations as a percentage of the average rating of the four nearest provinces.

119%	107%	100%	88%	92%
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Source: Environics Research Group Limited; Focus Canada report, and Intergovernmental and International Relations

<b>Performance Measure(s)</b>	<b>Previous Years' Result(s)</b>	<b>Current Result(s)</b>	<b>2005-06 Target(s)</b>
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**Albertans' Satisfaction with their Local Governments**

Percentage satisfied.

80%	79%	79%	80%	75%
(2002-03)	(2003-04)	(2004-05)	(2005-06)	

Source: Albertans' Satisfaction with their Municipal Government survey, and Municipal Affairs



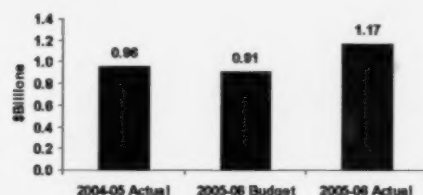
# GOAL TEN

## Alberta will be a fair and safe place to work, live and raise families

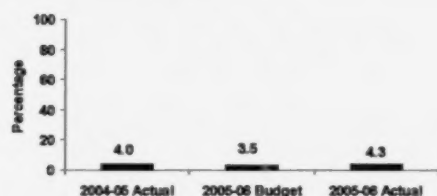
### Discussion and Analysis

Albertans want communities in which they can live and raise families in safety and security without fear of personal or property crime, victimization or discrimination. This requires protection of human rights and personal privacy, crime prevention, services to victims of crime, and effective policing and fire protection. It also requires a strong and effective prosecution service, an accessible court system, cost effective and accountable correctional services, and partnerships with the judiciary, police, and other stakeholders. Albertans also want communities that are prepared to deal with emergencies and a government that will take action to address public safety risks. In 2005-06, the Alberta government directed \$1,168 million toward the protection of persons and property.

#### Goal Ten Expense



#### Percent of Total Expense



This goal includes spending of the following ministries: Community Development, Finance; Government Services; Human Resources and Employment; Infrastructure and Transportation; Justice; Municipal Affairs; Solicitor General and Public Security; and Sustainable Resource Development.

Several initiatives were implemented by the province to improve access to the justice system. These included: the expansion of videoconferencing to additional court sites to enhance courtroom safety and

*The government expanded videoconferencing to additional court sites.*

reduce the movement of the accused between remand facilities and courts; increased use of effective dispute resolution forums within Family Justice Services; and pilot projects in Edmonton and Calgary that are aimed at increasing the efficiency and effectiveness of docket courts and docket appearances.

Efforts were also made to help ensure high quality policing and police services. This included amendments to the *Police Act* to increase police accountability; and the implementation of provincial policing standards along with a system to track police compliance. Programs and services for victims of crimes also continued to be improved upon, as 13 of the 37 government-accepted recommendations (from the Victims of Crime Report) have been implemented with progress being made on an additional six.

*The government implemented provincial policing standards and a system to track compliance.*

The Government of Alberta continued to work toward improving road safety. In October 2005, the *Traffic Safety Amendment Act* was enacted. The new Act includes a law requiring drivers to slow down when passing emergency vehicles and tow trucks with their lights flashing. The new law, which doubles existing fines when drivers are speeding in these zones, will make it safer for police officers, firefighters, ambulance personnel, tow truck operators and construction workers, as well as motorists. The Act also included changes that deal with driving without insurance, seizure of vehicles involved in racing, use of evidence from a vehicle's "black box" in legal proceedings, and reporting unsafe drivers. In support of the new Alberta Traffic Safety Plan, a six-month pilot project was started that involves ten provincial Sheriffs working with RCMP officers to perform traffic safety enforcement on high-risk roadways.

*Fines for speeding past emergency and construction workers were doubled.*

# GOAL TEN **10** Alberta will be a fair and safe place to work, live and raise families

Other efforts made by the government to improve safety and emergency response include: a series of workshops conducted throughout the province by the Alberta Fire Services Advisory Committee to help develop a unifying framework for the fire service in Alberta; the establishment of a Ministerial Steering Committee to address the recommendations of the Environmental Protection Commission Report; and the public provision of safety awareness information regarding school bus safety, playground zones, child safety seats, seatbelts, bicycle helmets, and impaired driving. Cross-government Pandemic Influenza planning has begun, including planning for continuity of provincial and municipal essential services and Regional Health Authorities' medical treatment efforts. In response to the extensive flooding experienced throughout Alberta in 2005, the Government of Alberta committed \$164 million in disaster recovery funding to municipalities, businesses, and homeowners for non-insurable damages.

## Discussion of Measures

**Perceived Seriousness of Crime in the Neighbourhood** – In 2005-06, the majority of Albertans (60%) felt that crime was not a serious problem in their neighbourhood (those who felt crime was a problem included victims of crime

*60% of Albertans felt that crime was not a serious problem in their neighbourhood.*

and those with lower income and less education). In addition, 72% of

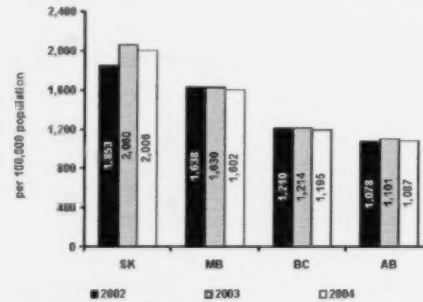
Albertans felt safe walking alone in their neighbourhood at night and 93% felt safe in their own home.

**Violent and Property Crime Rates** – Alberta's violent crime and property crime rates (2004) continued to meet the target, as they were the lowest of the four western provinces. In comparison to the previous year's results, violent and property crime rates improved as both rates decreased. Violent crime decreased to 1,087 per 100,000 population (from 1,101), and property

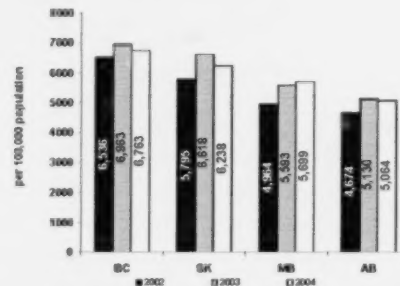
crime decreased to 5,064 per 100,000 population (from 5,130). Although Alberta experienced a slight decrease in violent crime, there were 86 homicides in Alberta in 2004, an increase of 23 from the year before.

*Alberta's violent crime and property crime rates decreased.*

**Violent Crime Rate**



**Property Crime Rate**



In order to address serious, violent, and organized crime, as well as the problems associated with the highly addictive drug crystal methamphetamine (crystal meth), the province implemented and supported several strategies. The Alberta Law Enforcement Response Team (ALERT) was established to enhance the safety and security of Albertans. Under one umbrella, ALERT brings together the Integrated Response to Organized Crime unit, which targets key players in crime networks throughout the province; and the Integrated Child Exploitation unit, which was formed to bring together officers and computer technology analysts from several Alberta police services in order to catch those who use the

Internet to prey on children. To help address the problems associated with crystal meth, the government initiated a Crystal Meth Task Force and passed Bill 204 in order to limit the availability of medications containing ephedrine and pseudoephedrine, which are components used to produce the drug. Other actions taken by the province to reduce crime and build safer communities included the restoration of the Crime Prevention grants program and the establishment of the Alberta Community Restorative Justice grants program.

The government has undertaken several initiatives to help prevent fraud and ensure the protection and security of personal information. These initiatives include: the distribution of educational materials aimed at increasing public awareness of fraud and identity theft; public seminars on identity theft; working with financial institutions, police, and prosecution services in other provinces to stem the tide of credit/debit card skimming gangs; working with Justice Canada to create new offences under the Criminal Code to address identity theft; the March 2006 fraud awareness campaign; and the establishment of a pilot project that will help to ensure that identity and driving-ability documents are legitimate.

**Work Stoppages** – An indicator of labour stability in Alberta is the percentage of collective bargaining agreements successfully negotiated and ratified by the parties involved. In 2005-06, the percentage of expired collective agreements that

*98% of collective bargaining agreements were settled without a legal work stoppage.*

were settled without a legal work stoppage was 98%, which met the 98%

target. The resolution of collective bargaining disputes and differences in the interpretation of collective agreements was aided by the 113 mediators and 281 arbitrators appointed by the government.

**Workplace Lost-Time Claim Rate** – The provincial lost-time claim rate decreased slightly from 2.5 in 2004 to 2.4 in 2005, but still did not meet the target of 2.0. This is down considerably from 2.9 in 2002, and is the lowest rate recorded since 1991. A lost-time claim rate of 2.4 represents about 14,000 fewer lost-time injuries each year and over \$220 million dollars in direct annual savings to the Workers' Compensation Board as compared to the 2000 rate of 3.4. The government continues to work towards lowering the lost-time claim rate through the Work Safe Alberta initiative.

**Effectiveness of Human Rights Protection** – According to 2005-06 survey results, the percentage of adult Albertans who felt human rights were "very well" or "fairly well" protected in Alberta decreased slightly from 87.6% to 86.7%. These results were still above the target of 86%.

The Alberta government remained committed to building respectful and inclusive communities by fostering equality, supporting Albertans in reducing discrimination, and helping Albertans resolve human rights complaints. To help increase awareness of human rights and prevent discrimination in the workplace, approximately 90 workshops were held with employees and employers across Alberta. Educational resources were also developed in order to provide clarity in areas such as the rights and responsibilities of Albertans and the human rights complaint process. In addition, stakeholder consultations were held in seven communities across Alberta to help guide future directions for human rights and diversity initiatives.

## Measures

Societal Measure(s)	2001-02	2002-03	2003-04	2004-05	2005-06
<b>Perceived Seriousness of Crime in the Neighbourhood</b>					
Percentage of Albertans that feel crime is not a serious problem in their neighbourhood.	65%	62%	55%	60%	60%
Source: Justice and Solicitor General and Public Security, Survey of Albertans					
Performance Measure(s)	Previous Years' Result(s)		Current Result(s)		2005-06 Target(s)
<b>Violent Crime Rate</b>					
Alberta's violent crime rate per 100,000 population.	1,102 (lowest) (2001)	1,078r (lowest) (2002)	1,101r (lowest) (2003)	1,087 (lowest) (2004)	Lowest of four western provinces
Source: Canadian Crime Statistics, Canadian Centre for Justice Statistics					
<b>Property Crime Rate</b>					
Alberta's property crime rate per 100,000 population.	4,413 (lowest) (2001)	4,674r (lowest) (2002)	5,130r (lowest) (2003)	5,064 (lowest) (2004)	Lowest of four western provinces
Source: Canadian Crime Statistics, Canadian Centre for Justice Statistics					
<b>Work Stoppages</b>					
Percentage of collective bargaining agreements settled without a work stoppage (strike or lockout).	93% (2002-03)	99% (2003-04)	99% (2004-05)	98 % (2005-06)	98%
Source: Human Resources and Employment					
<b>Workplace Lost-Time Claim Rate</b>					
Number of lost-time claims per 100 person-years worked.	2.9r (2002)	2.8r (2003)	2.5r (2004)	2.4 (2005)	2.0
Source: Human Resources and Employment, and Workers' Compensation Board					
<b>Effectiveness of Human Rights Protection</b>					
Adult Albertans' perception of how well human rights are protected in Alberta.	83.7% (2002-03)	84.8% (2003-04)	87.6 % (2004-05)	86.7% (2005-06)	86%
Source: Community Development – Survey of Albertans					

r Revised.

Note: Previous year Violent Crime and Property Crime rates are revised annually based on population counts. Past Workplace Lost-Time Claim Rate results were revised in 2005 to reflect improvements in the data collection methodology, resulting in strengthened industry coverage and a stricter definition of a lost-time claim due to exclusion of claims where workers returned to modified work after an injury and had no time lost.

For more information, see the measures methodology at <http://www.finance.gov.ab.ca/publications/measuring/measup06/index.html>

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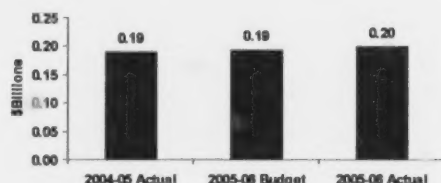
GOAL ELEVEN

The high quality of Alberta's environment will be sustained

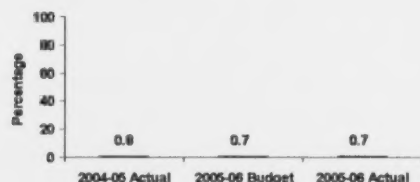
## Discussion and Analysis

Albertans expect the environment to be well managed and protected as a legacy for future generations. Clean air, water and land, as well as the sustainable use of Alberta's environmental resources, are basic to Albertans' health, communities and quality of life. The Alberta government takes a leadership role in developing a comprehensive approach and fosters shared responsibility for environmental management and stewardship. In 2005-06, Alberta directed \$200 million toward maintaining Alberta's environment.

### Goal Eleven Expense



### Percent of Total Expense



This goal includes spending of the following ministries: Energy, Environment, Infrastructure and Transportation, and Sustainable Resource Development.

Implementation of Alberta's water strategy, Water For Life: Alberta's Strategy for Sustainability, continued with the intent to achieve safe, secure

*Alberta addresses the pressures on water in Alberta through policy, standards, research, partnerships and consultation.*

drinking water for Albertans, healthy aquatic ecosystems and reliable water supplies for a

sustainable economy. Work in 2005-06 included a new Oilfield Injection Policy and Guideline for implementation in 2006 to support the

recommendations of the Advisory Committee on Water Use Practice and Policy.

In response to the train derailment at Lake Wabamun and its impact on water quality, the Environmental Protection Commission was established to review and make recommendations on Alberta's ability to respond to environmental incidents. The Commission released its final report in December 2005, listing ten recommendations to strengthen Alberta's disaster response system. The Commission's recommendations will help Alberta achieve a world-class system for managing risks and responding to emergencies including environmental disasters.

During the year, Alberta supported Watershed Planning and Advisory Councils in the Bow, North Saskatchewan, Oldman, and Red Deer river basins. Along with Watershed Stewardship Groups, these will make recommendations to government, stakeholders, and the public on improving water management throughout Alberta's watersheds.

As part of Albertans & Climate Change: Taking Action, the government implemented Canada's first greenhouse gas reporting program for large emitters, working closely with other provinces and the federal government to ensure this program complements a

national greenhouse gas-reporting program.

Carbon dioxide

capture and storage technologies, which are critical to Alberta's climate change strategy, were also broadly endorsed by the United Nations Conference of the Parties as important compliance options for international commitments.

In 2005-06, the government established the Sustainable Resource and Environmental Management initiative to improve integration of sustainable resource development and

*Over the past year, Alberta made progress in increasing the renewable and alternative energy generation portion of total provincial electricity capacity.*



# 11

GOAL ELEVEN

## The high quality of Alberta's environment will be sustained

environmental policies, develop new, or streamline existing, regulatory and non-regulatory processes, and provide reliable and accessible natural resource and environmental information to stakeholders and the public. Under this initiative,

*Through the Sustainable Resource and Environmental Management initiative, Alberta aims to become the best natural resource and environmental manager in the world.*

a draft oil sands strategy was released, and an MLA-led Stakeholder Consultation Advisory Group

provided recommendations to government on a public consultation process for future oil sands development. Furthermore, in 2005, a stakeholder consultation was held to identify issues, solutions and opportunities for integrating and streamlining upstream oil and gas regulation.

In 2005, an initiative was established to develop a provincial Land Use Framework. This framework will provide an over-arching vision and outcomes for land use on public and private land in the province. Development of the framework will engage Albertans in a discussion of current and future land use needs, issues, and opportunities.

To assist government in managing its natural resources in a sustainable manner, a biodiversity monitoring system was designed and tested. It was advanced on several fronts including joint funding of a prototype program in central Alberta and leading discussions on the development and implementation of an operational, province-wide program intended for implementation in 2007. The program will provide an objective, scientifically sound source of information that the government and stakeholders can use to assess status and trends in the province's biological diversity.

### Discussion of Measures

**Drinking Water Safety Indicator** – In 2005-06, 432 of the 554 regulated systems (78%) had treatment technology in place meeting the latest facility design standards, exceeding the target by 19 facilities. This is a net improvement in water quality technology at 23 facilities over the previous year.

Compliance with facility operational requirements improved in 2005-06, with 35 incidents in 28 facilities, a decrease from the previous two years.

In 2005-06, there were 60 water quality incidents that occurred at 51 facilities. The number of incidents decreased from the previous year; however, the number of facilities where these incidents occurred increased slightly. Facilities are required to self-report non-compliance and Environment annually inspects approved facilities and reports the number of non-compliance incidents. The number of government identified incidents remains low in comparison to the number identified by the facility operators. This indicates that immediate action is being taken to correct problems, and that problems are neither sustained nor going unnoticed.

**River Water Quality Index** – In 2004-05, five out of six river systems continued to have "good" or "excellent" water quality. The exception was the North Saskatchewan River, which was rated as "fair" at the Pakan site, primarily due to increased bacterial counts and, to a lesser degree, nutrient and pesticide concentrations. The majority of Index values show no trend toward degradation in water quality.

A number of natural and human factors can influence Index values: river flow volume, temperature, the degree of development along rivers, non-point sources of runoff (such as agricultural fields) and point sources of effluent that discharge into rivers. For example, during spring runoff, concentrations of nutrients and metals may exceed guideline values, even in

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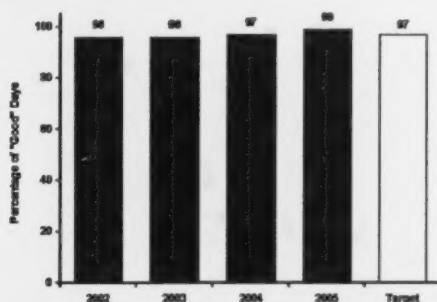
GOAL ELEVEN

The high quality of Alberta's environment will be sustained

"natural" areas, simply because they are present in soils that are washed into river waters.

**Air Quality Index** – In 2005, Alberta had "good" air quality days occurring 99% of the time, which is higher than the 97% target. Air quality is influenced by a number of factors including vehicle emissions, weather patterns, forest fires and intensity of industrial development.

## Air Quality Index

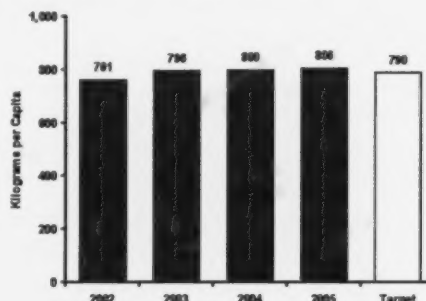


Data for 2004 have been restated to ensure data from all 12 stations are included.

**Municipal Solid Waste to Landfills** – Municipal solid waste disposed in landfills increased slightly from 800 kilograms per capita in 2004 to 806 kilograms per capita in 2005. The increase is a reflection of Alberta's continued robust economy, as it includes waste from the residential, industrial/commercial/institutional, and construction/renovation/demolition sectors.

Government completed consultations regarding a long-term strategy for waste reduction and management in Alberta in March 2006. A Waste Management Stakeholder Group consisting of representatives from all areas of waste management identified outcomes and strategies to reduce waste, develop the infrastructure required to encourage resource recovery over disposal and ensure environmental protection as changes are implemented.

## Municipal Solid Waste to Landfills



# 11

GOAL ELEVEN

## The high quality of Alberta's environment will be sustained

### Measures

Performance Measure(s)		Previous Years' Result(s)		Current Result(s)	2005-06 Target(s)
<b>Drinking Water Safety Indicator</b>					
Measures the ability of regulated facilities to provide safe drinking water.					
The indicator consists of three separate sub-measures:					
<b>Facility Design Standards</b> – The number of facilities meeting the most recent design standards.	n/a	377 (2003-04)	409 (2004-05)	432 (2005-06)	413
<b>Facility Operational Requirements</b> – The number of incidents where regulatory requirements have not been met that could lead to water quality incidents.	n/a	59 (2003-04)	45 (2004-05)	35 (2005-06)	20
<b>Water Quality</b> – The number of water quality incidents.	n/a	48 (2003-04)	69 (2004-05)	60 (2005-06)	31
Source: Environment					
<b>River Water Quality Index</b>					
Evaluates the water quality of six major Alberta rivers at key sites, based on monthly data on four groups of variables (metals, bacteria, nutrients and pesticides), which are combined to provide an indication of overall water quality.	6 out of 6 river systems had "good" to "excellent" water quality (2001-02)	5 out of 6 river systems had "good" to "excellent" water quality (2002-03)	5 out of 6 river systems had "good" to "excellent" water quality (2003-04)	5 out of 6 river systems had "good" to "excellent" water quality (2004-05)	6 out of 6 river systems have "good" to "excellent" water quality
Source: Environment					
<b>Air Quality Index</b>					
Evaluates the quality of Alberta's air using a minimum of four and up to five major pollutants, one of which must be fine particulate matter – PM2.5. The other pollutants are: carbon monoxide, nitrogen dioxide, ozone and sulphur dioxide.	"Good" air quality days 96% of the time (2002)	"Good" air quality days 96% of the time (2003)	"Good" air quality days 97% of the time (2004)*	"Good" air quality days 99% of the time (2005)	"Good" air quality days 97% of the time
Source: Environment, Wood Buffalo Environment Association, Peace Airshed Zone Association, Parkland Airshed Management Zone and Fort Air Partnership					
<b>Municipal Solid Waste to Landfills</b>					
Indicates Alberta's progress toward meeting continuous reduction of municipal solid waste placed in landfills as measured in kilograms of waste per capita.	761 kg per capita (2002)	796 kg per capita (2003)	800 kg per capita (2004)	806 kg per capita (2005)	790 kg per capita
Source: Environment					

n/a Not available.

\* Data for 2004 have been restated to ensure data from all 12 stations are included.

For more information, see the measures methodology at <http://www.finance.gov.ab.ca/publications/measuring/measup06/index.html>

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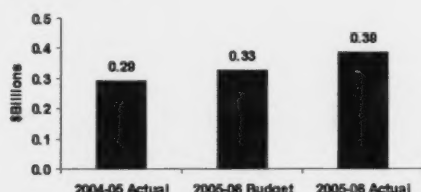
GOAL TWELVE

## Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas

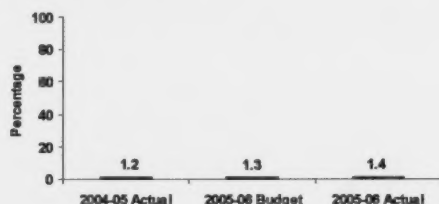
### Discussion and Analysis

Albertans' opportunities to participate in community and cultural activities and their enjoyment of the province's historical resources and parks and protected areas are essential elements of a high quality of life. The government facilitates participation in community activities through supporting volunteerism, community service organizations, public libraries, sport and recreation, and arts and cultural activities. The government also preserves, protects and presents Alberta's historical resources, culture and natural heritage through provincial historic sites, museums, interpretive centres and provincial parks and protected areas. In 2005-06, Alberta directed \$388 million to support recreation and cultural activities in the province, which includes funding from the Alberta Lottery Fund.

#### Goal Twelve Expense



#### Percent of Total Expense



This goal includes spending of the following ministries: Community Development and Gaming.

### Discussion of Measures

**Visitor Satisfaction with Provincial Historic Sites, Museums and Interpretive Centres** – In 2005-06, 98.5% of visitors reported overall satisfaction with their visit to a provincial historic site, museum or interpretive centre. These results remained high, and essentially met the target of 99%. Considerable opportunities for Albertans

and visitors to experience the province's rich cultural diversity and heritage were generated through the government's support for cultural events and through the operation of 18

provincial historic sites, museums and interpretive centres. This included centennial celebrations, which were held at all facilities across the province. In addition to the \$116.7 million previously awarded through the Centennial Legacies Program, \$59 million was awarded to support the development of the Calgary Zoo's Project Discovery, the expansion of the

Art Gallery of Alberta, and the construction of a historical square and grand entrance at Calgary Heritage Park. The government also hosted the Royal Visit and a ceremony to commemorate the naming of the Royal Alberta Museum.

To increase access to Alberta's historical and cultural resources, the province has been working on providing Internet access to its collections. For example, the Royal Alberta Museum's Creature Collection has had over 58,000 views and the Royal Tyrrell Museum collections database was upgraded to allow for public searches.

The government continued to develop the Municipal Heritage Partnership Program, providing financial support to six municipalities to develop municipal heritage resource management

programs. This cooperation with municipalities has contributed to a 41% increase in the number of municipally protected historic places since January 2004 (total of 99 at end of 2005-06).

*Visitors continue to be very satisfied with Alberta's provincial historic sites, museums and interpretive centres.*

*The Centennial Legacies Program awarded \$59 million among the Calgary Zoo, Art Gallery of Alberta, and Calgary Heritage Park.*

*There has been a 41% increase in the number of municipally protected historic places since January 2004.*

# 12

GOAL TWELVE

## Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas

**Visitor Satisfaction with Provincial Parks and Recreation Areas** – The 2005-06 Camper Satisfaction Survey results indicated that the targeted 91% satisfaction level was met, as 91.1% of visitors were satisfied with the overall services and facilities at Alberta's provincial parks and recreation areas. This satisfaction is apparent, as

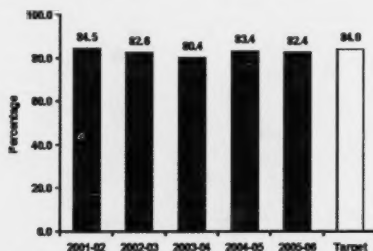
*Alberta's provincial parks and recreation areas continue to attract over 8 million visits a year.*

Alberta's provincial parks and recreation areas continue to attract over

8 million visits a year. To increase Albertans' appreciation for parks and protected areas, the province developed family-oriented interpretive programs and curriculum based on environmental education programs. Major revisions and improvements to the Parks and Protected Areas Gateway website were completed to improve customer service and to make publications available to the public online.

**Participation in Sport and Recreation** – The percentage of adult Albertans who participated in sport and recreational activities decreased by one percentage point to 82.4% in 2005-06, remaining slightly below the targeted participation rate of 84%.

Participation in Sport and Recreation



In 2005-06, the government promoted active lifestyles and supported sport and recreational opportunities by

*Approximately \$9 million in funding was provided to provincial sport and recreation associations, active living agencies, and community-based projects.*

directing significant funding to these areas. Additional

funding was also provided to provincial sport and recreation associations for programs involving under-represented groups (e.g., girls, women, Aboriginal people and persons with disabilities).

The government also encouraged Aboriginal youth to be active through the Alberta's Future Leaders Program, which provided sport and recreation programs to more than 12,700 participants. To further promote active living, the government partnered with community organizations to coordinate an event in which 79,280 Albertans simultaneously walked one kilometre to successfully set a new Guinness Book world record for walking.

*Albertans walked their way into the Guinness Book of World Records.*

**Participation in Arts and Cultural Activities** – The percentage of adult Albertans who attended or participated in arts and cultural activities increased from 87.2% in 2004-05 to 88.8% in 2005-06,

essentially meeting the target of 89%. Alberta's centennial

*Albertans' participation in arts and cultural activities increased, essentially meeting the target rate of 89%.*

celebrations, as well as other events supporting Alberta's artists (e.g., Alberta Scene and Alberta Tracks: A Centennial Music Celebration), likely contributed to the increased participation.

In support of Alberta's arts and cultural activities, the provincial government awarded approximately \$32 million in grants to the development of literary, performing and visual arts, and film. In 2005-06, the unique talents and skills of more than 600 Alberta actors, musicians, writers, dancers and chefs were shared with national and international audiences during the Alberta Scene festival in Ottawa.



GOAL TWELVE

12

Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas

## Measures

Performance Measure(s)	Previous Years' Result(s)			Current Result(s)	2005-06 Target(s)
<b>Visitor Satisfaction with Provincial Historic Sites, Museums and Interpretive Centres</b>					
Satisfaction of visitors with experiences at provincial historic sites, museums and interpretive centres.	97.9% (2002-03)	97.7% (2003-04)	97.7% (2004-05)	98.5% (2005-06)	99%
Source: Community Development – Heritage Facilities Visitor Survey					
<b>Visitor Satisfaction with Provincial Parks and Recreation Areas</b>					
Satisfaction of visitors with experiences at provincial parks and recreation areas.	n/a	90.4% (2003-04)	90.9% (2004-05)	91.1% (2005-06)	91%
Source: Community Development – Camper Satisfaction Survey					
<b>Participation in Sport and Recreation</b>					
Participation in sport and recreational activities by adult Albertans.	82.6% (2002-03)	80.4% (2003-04)	83.4% (2004-05)	82.4% (2005-06)	84%
Source: Community Development – Survey of Albertans					
<b>Participation in Arts and Cultural Activities</b>					
Participation in arts and cultural activities by adult Albertans.	89.2% (2002-03)	85.5% (2003-04)	87.2% (2004-05)	88.8% (2005-06)	89%
Source: Community Development – Survey of Albertans					

n/a Data not available.

For more information, see the measures methodology at <http://www.finance.gov.ab.ca/publications/measuring/measup06/index.html>

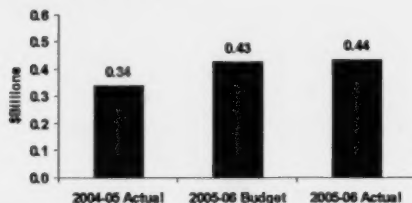
# 13

GOAL THIRTEEN The vitality and independence of Alberta's seniors will be supported

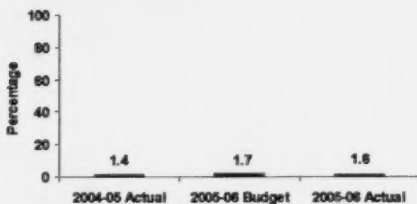
## Discussion and Analysis

Alberta's seniors represent a diverse and growing population with a wide array of expectations, skills, lifestyles and social networks. Seniors are active contributors to their communities through work, recreation, caregiving, and volunteering. In 2005-06, the Alberta government directed \$435 million toward the well-being and independence of seniors.

### Goal Thirteen Expense



### Percent of Total Expense



Goal 13 expense amounts were adjusted from those published in the 2005-08 Strategic Business Plan to report lodge assistance funding under Goal 13, instead of Goal 6, as the funding is primarily directed at seniors.

This goal includes spending of the following ministries: Infrastructure and Transportation, and Seniors and Community Supports.

In collaboration with health authorities, other ministries and housing providers, a draft Seniors Supportive Living Framework was developed and communicated to the public.

The Alberta Seniors Benefit funded people in Designated Assisted Living (DAL) at the same level as if they were in Long-term Care. Anyone

*Low-income seniors were provided assistance with accommodation costs.*

who was assessed and placed in an identified facility by the

health authority will be eligible for this enhanced funding retroactive to January 2006. Increased

benefits are intended to help off-set higher accommodation costs that DAL residents incur from increased personal care services.

Long-term care residents also received additional financial support through the Alberta Seniors Benefit program to assist with the cost of accommodation fees. As of January 2006, approximately 8,900 seniors in long-term care and designated assisted living facilities received an average of \$354 per month to assist with their accommodation fees.

The Government of Alberta recognizes the importance of good dental and optical health as a key component of healthy aging. The new dental and optical coverage, which took effect April 1, 2005, is an investment in the good health of Alberta's

*Three new seniors' programs were launched.*

seniors. The coverage is a progressive, co-pay benefit, which means that benefits are based on income with maximum assistance targeted to lower-income seniors. Seniors who had previously applied for the Alberta Seniors Benefit program were automatically enrolled in this program and did not need to apply.

Approximately 14,000 seniors per month are receiving benefits from these programs.

The Education Property Tax Assistance for Seniors program was introduced in January 2005 in recognition of concerns raised by senior homeowners about year-to-year increases in the education portion of their property taxes. The government provides an annual rebate to assist senior homeowners facing an increase in the education tax portion of their property taxes. Approximately 53,000 senior households received rebates for the 2005 property tax year.

## Discussion of Measures

**Seniors' Average Total Income** – Seniors' Average Total Income in Alberta decreased slightly from 2002 to 2003. The source of income remained the same with 76.2% from non-government sources and 23.8% from government

*Pensions, retirement savings, and government transfers comprise the majority of seniors' income.*

transfers in both years. Government transfers include Old Age Security,

Guaranteed Income Supplement, GST rebates and Alberta Seniors Benefit. Non-Government Funded Sources of Income include Canada/Quebec Pension Plan, private pension, investment, RRSP, and employment.

**Self-Reported Health Status** – Self-reported health status is a good indicator of the health and well-being of Albertans. It is accepted across Canada as a means of reporting on population health. It measures the degree to which Albertans feel healthy compared to others their own age.

*A very high percentage of seniors rated their health as "good," "very good" or "excellent."*

Survey results indicate that 86% of Albertans aged 65 years and over rated their health as "good," "very good" or "excellent." This is above the target of 80%.

## Measures

Societal Measure(s)	1999	2000	2001	2002	2003
<b>Seniors' Average Total Income</b>					
Average Total Income*	\$29,920	\$30,020	\$31,897	\$31,094	\$30,251
Non-government funded sources of income**	75.3%	75.5%	76.8%	76.2%	76.2%
Government transfers**	24.7%	24.5%	23.2%	23.8%	23.8%

Source: Statistics Canada – Small Area and Administrative Data Division

Performance Measure(s)	Previous Years' Result(s)		Current Result(s)	2005-06 Target(s)
<b>Self-Reported Health Status***</b>				
Rating of Alberta seniors as "excellent," "very good" or "good" (65 years and over).	80% (2003)	78% (2004)	78% (2005)	86% (2006)

Source: HQCA Satisfaction with Healthcare Survey - Health Quality Council of Alberta; Public Survey about Health and the Health System in Alberta; Health and Wellness

\* In 2003 constant dollars.

\*\* Note: Non-government funded sources of income include Canada/Quebec Pension Plan, private pension, investment, RRSP, and employment. Government transfers include Old Age Security, Guaranteed Income Supplement, GST rebates and Alberta Seniors Benefit.

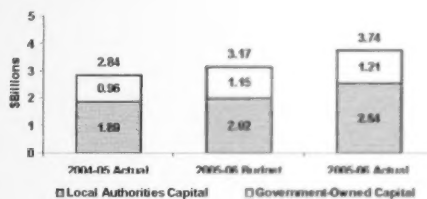
\*\*\* Results for 2006 were from the 2006 HQCA Satisfaction with Healthcare Survey conducted by IPSOS; results for 2003-2005 were from the Public Survey about Health and the Health System in Alberta conducted by the Population Research Laboratory at the University of Alberta.

## Alberta will have a supportive and sustainable infrastructure that promotes growth and enhances quality of life

### Discussion and Analysis

Effective and sustainable government-owned and supported infrastructure is essential to support the achievement of the province's other goals and to achieving the vision of a vibrant and prosperous province where Albertans enjoy a superior quality of life. Alberta has been experiencing rapid economic and population growth, placing the capacity of the province's infrastructure under pressure. In addition, the province's infrastructure is aging and reinvestment is required to ensure the integrity of existing infrastructure is maintained and public investment is preserved. The Capital Plan provides a structured approach to funding capital projects, bringing sustainability and predictability to capital spending. In 2005-06, the provincial government directed \$3,743 million to support Alberta's infrastructure.

#### Capital Plan Investment



This goal includes Capital Plan spending which is the total value of capital being acquired or directly supported by the provincial government. It includes grants to local authorities for capital purposes, which are also included in Goals 1 to 13, spending on provincial government-owned capital, and the value of projects being alternatively financed. It does not include capital amortization and financing costs.

In 2005-06, the government provided more than \$53 million in centennial legacy funding to Alberta communities for improvements to recreational and cultural facilities. The Alberta government also invested over \$31 million to repair and replace deteriorating park infrastructure and to ensure a safe and secure drinking water supply. In addition, \$8.1 million was provided to complete the construction of visitor centres in

Writing-on-Stone, Dinosaur and Cypress Hills Provincial Parks as well as the Boreal Centre for Bird Conservation in Lesser Slave Lake Provincial Park.

The Northern and Southern Alberta Jubilee Auditoria were

*Centennial legacy funding was used to make improvements to recreational and cultural facilities.*

also renovated to improve accessibility, patron sightlines and acoustics. The Auditoria renewal projects were achieved under extraordinary time constraints and opened on time for the centennial celebrations on September 1, 2005.

The province implemented the Rural Affordable Supportive Living capital program to provide supportive housing options in rural areas. A total of 41 projects were approved for capital funding assistance in 2005-06 through this program.

There were 18 redevelopment projects focused on facility conversions (e.g., from acute to long-term care), consolidating services, integrating mental health clinics and introducing new service delivery models.

Through affordable housing initiatives delivered by the province, 1,165 new units were supported to address Alberta's affordable housing shortage in high-growth, high-need communities.

The government invested \$15 million to provide much needed maintenance and upgrades to some of the province's oldest seniors' lodges. Upgrades will include new roofs, new windows and boiler replacements.

An agreement was signed to transfer federal gas tax funding to municipalities, which also signals a new relationship between all levels of government based on trust, cooperation and respect. The New Deal for Cities and Communities grant provides long-term stable funding to municipalities to support environmentally sustainable infrastructure to ensure cleaner air and water and reduce greenhouse gas emissions.

# 14

GOAL FOURTEEN

Alberta will have a supportive and sustainable infrastructure that promotes growth and enhances quality of life

The new Alberta Municipal Infrastructure Program was launched providing \$3 billion over five years to cities and municipalities for capital projects. The

*The new Alberta Municipal Infrastructure Program will provide funding for cities and municipalities for capital projects.*

funds are provided for roads and repaving, bridge repairs, transit vehicles and facilities, sewer upgrades, water treatment facility expansions and recreational facilities. These grants provided \$600 million in 2005-06 to some 360 municipalities and also provided approximately \$17 million for the Resource Road Program.

There were 129 projects with a contribution of \$10.2 million under the Infrastructure Canada-Alberta Program. Three separate announcements were made in 2005 for projects to improve municipal water/wastewater, storm water systems, and firefighting systems or to improve energy

*There were 129 projects focused on municipal infrastructure needs in urban and rural communities.*

efficiency in municipal buildings. This program is a working partnership between all three levels of government to direct funds toward municipal infrastructure needs in urban and rural communities across the province.

In Edmonton, a six kilometre section of the southwest portion of Anthony Henday Drive was opened between Lessard Road and Terwillegar Drive a year ahead of schedule. The section includes new twin bridges over the North Saskatchewan River and an illuminated pedestrian

*A new section of the ring road system was completed a year ahead of schedule.*

walkway underneath the bridge deck. The bridges have two lanes and are designed to accommodate four lanes in the future. The road features a concrete surface, which requires less maintenance and will last

twice as long before resurfacing is needed compared to traditional asphalt. The new section is part of the Edmonton ring road system and represents an investment of \$100 million.

The Alberta government provided \$47.4 million of the total \$120 million shared investment to establish the National Institute of Nanotechnology (NINT). This world class facility located at the University of Alberta is dedicated to integrated, multi-disciplinary research in nanotechnology and will consolidate innovative research of relevance to the strategic priority areas of energy, life sciences and information and communications technology.

The NINT facility will officially open in June 2006.

*The National Institute of Nanotechnology will focus on priority areas of energy, life sciences and information and communications technology.*

NINT was established through a joint initiative between the provincial government, the federal government, the National Research Council and the University of Alberta.

Construction of the Alberta SuperNet was completed in September 2005 to 429 rural and urban communities across the province. The network is now operational, enabling high speed internet access and network services through Internet Service Providers. Many of the province's 4,200 learning and health facilities and government offices are now using the Alberta SuperNet, and the number of active Internet Service

*Alberta SuperNet is available to 429 rural and urban communities.*

Providers across the province continues to expand as communities and organizations explore the possibilities the network has to offer.



## Alberta will have a supportive and sustainable infrastructure that promotes growth and enhances quality of life

### Discussion of Measures

**Physical Condition of Health Facilities** – The government's long-term goal is to preserve the physical condition of government-owned and supported infrastructure. The government has made a significant commitment to capital investment in health facilities to preserve and expand our infrastructure to improve access to services. For example, the provincial Capital Plan will provide for nearly 2,000 additional acute care beds at various hospitals throughout the province over the next several years. An unprecedented \$1.4 billion provincial investment in health infrastructure announced in October 2005 will provide targeted acute care treatment capacity in areas such as surgical, diagnostic, ambulatory and emergency care.

In 2004-05, 96% of health facilities were reported in either "good" or "fair" physical condition, exceeding the target of 95%. Health facilities continue to have high ratings in physical condition. 71% of health facilities were rated in "good" condition. The percentage in "fair" condition increased from 11% in 2003-04 to 25% in 2004-05, due to a number of facilities previously rated "good" shifting into the "fair" category.

The new Edmonton Clinic (Health Sciences Ambulatory Learning Centre) and Alberta

*An innovative Health Sciences Ambulatory Learning Centre will address the needs of patients in central and northern Alberta.*

Cardiovascular and Stroke Research Centre project (a component of

the Mazankowski Alberta Heart Institute) in Edmonton will advance priority research and innovation initiatives for Capital Health and the Health Sciences Faculties at the University of Alberta.

The government recognizes the benefits and importance of taking a leadership role in the area of medical research. The new Health Research Innovation Centres at the Universities of Calgary

and Alberta will leverage significant federal and other research grants, support economic commercialization and diversification and help retain and attract health care professionals and University faculty.

**Physical Condition of Learning Facilities** – Measuring the physical condition of schools and post-secondary facilities provides assurance to Albertans that students are provided with safe, effective learning environments. This set of data also assists school boards with prioritizing their capital planning. A new process for the identification of priority school facility projects was designed and implemented, including health and safety concerns and areas where there is high space utilization. The province is also developing a long-term capital plan to increase access for students and enhance the research capabilities at Alberta's public post-secondary institutions. To address program need for increased student access, the province is developing and reviewing business cases for expansion projects.

In 2005-06, 95% of schools were rated in acceptable ("good" or "fair") physical condition, meeting the target of 95%. If sufficient investments continue to be made in revitalizing and/or replacing existing infrastructure, the overall condition of school facilities will continue to increase. The proportion of schools rated as "good" remained the same in 2004-05 and 2005-06. 34% of schools were rated in "fair" condition, down eight percentage points from the 2003-04 result and down two percentage points from the 2004-05 result.

In 2005-06, 90% of post-secondary institutions were rated in acceptable condition, exceeding the target of 86%. This is an improvement over the previous result of 88% in 2004-05. A significant

portion of the improvement can be attributed to a change in institutions re-classifying recommended remedial

*A high percentage of schools and post-secondary institutions were rated in acceptable condition.*

## Alberta will have a supportive and sustainable infrastructure that promotes growth and enhances quality of life

events from maintenance items to functional upgrades, which are not included in the measure.

**Physical Condition of Government-Owned and Operated Buildings** – The percentage of government-owned and operated facilities over 1,000 gross square metres that were rated in acceptable physical condition in 2005-06 was 96%, meeting the target of 96% and is similar to previous years' results. Although the results have been steady over the past few years, many government-owned and operated facilities were

*The majority of government-owned and operated buildings were rated in acceptable condition.*

built between 1975 and 1985 and are approaching a time when major upgrading

or refurbishment will be required to maintain them. There was an increase in the percentage of facilities rated in "fair" condition from 49% in 2003-04 to 53% in 2004-05 and 2005-06 and a decrease in the percentage of facilities rated in "good" condition from 47% in 2003-04 to 44% in 2004-05 and 43% in 2005-06.

**Physical Condition of Provincial Highways** – Highway improvements worth \$41 million were initiated within the Wood Buffalo Region on Highways 63 and 881. Construction began on a ten-year program of upgrades. In 2005, work on

*A high percentage of highways in Alberta were in acceptable condition.*

Highway 63 included four-lane grading, intersection improvements

and development of a rest area/commercial vehicle staging area. On Highway 881, 46 km were paved, 70 km of full stage paving commenced and 105 km of second stage paving got underway. The grading of the truck bypass and staging area at Lac La Biche is nearly complete. In 2005-06, 87.1% of highways under provincial jurisdiction were in acceptable physical condition. These results exceeded the target of 86%. Of the 87.1% in acceptable condition, 63%

were considered to be in "good" condition and 24.1% in "fair" condition.

**Effective Water Management Infrastructure** – Government continues to rehabilitate and maintain provincially-owned water management infrastructure, which includes physical assets such as dams, canals, and control structures. The province has commenced a cooperative venture with health officials and the Metis

*In 2005, the percentage of water management infrastructure in "fair" or "good" condition continued to be very high.*

Nation of Alberta to develop a long-term plan for monitoring water wells in the hamlet of Marlboro. In 2005, the percentage of the province's water management infrastructure in "fair" or "good" physical condition was 99.1%, slightly below the target of maintaining the 2004 result.

# 14

GOAL FOURTEEN

Alberta will have a supportive and sustainable infrastructure that promotes growth and enhances quality of life

## Measures

Performance Measure(s)		Previous Years' Result(s)		Current Result(s)	2005-06 Target(s)
<b>Physical Condition of Health Facilities</b>					
Percentage in acceptable ("fair" or "good") condition.	n/a	95% (2003-04)	96% (2004-05)	n/a* (2005-06)	95%
Source: Infrastructure and Transportation					
<b>Physical Condition of Learning Facilities</b>					
Percentage of schools in acceptable ("fair" or "good") condition.	n/a	94% (2003-04)	97% (2004-05)	95% (2005-06)	95%
Percentage of post-secondary institutions in acceptable ("fair" or "good") condition.	n/a	84% (2003-04)	88% (2004-05)	90% (2005-06)	86%
Source: Infrastructure and Transportation					
<b>Physical Condition of Government-Owned and Operated Buildings</b>					
Percentage in acceptable ("fair" or "good") condition.	97% (2002-03)	96% (2003-04)	97% (2004-05)	96% (2005-06)	96%
Source: Infrastructure and Transportation					
<b>Physical Condition of Provincial Highways*</b>					
Percentage in acceptable ("fair" or "good") condition.	88.8% (2002-03)	88.8% (2003-04)	88.8% (2004-05)	87.1% (2005-06)	86%
Source: Infrastructure and Transportation					
<b>Effective Water Management Infrastructure***</b>					
Percentage in acceptable ("fair" or "good") physical condition.	n/a	95.9% (1999)	99.5%** (2004)	99.1% (2005)	Maintain 2004-05 values
Source: Environment					

n/a Not available.

n/a\* The current result for Physical Condition of Health Facilities was not available due to the absence of complete data from external sources. The result for this measure will be reported in the 2005-06 Infrastructure and Transportation Annual Report.

\* Physical condition of pavement.

\*\* Estimate.

\*\*\* Includes physical assets such as dams, canals, and control structures.

Note: "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means components are aging and nearing the end of their life cycle requiring additional expenditure for renewal or refurbishing.

## Expense by Goal<sup>1</sup>

(millions of dollars)

Goal	2004-05 Actual	2005-06 Budget	2005-06 Actual
1 Alberta will have a diversified and prosperous economy <sup>2</sup>	1,900	1,781	1,762
2 Albertans will be well prepared for lifelong learning and work	6,370	6,754	6,903
3 Alberta's international competitiveness will be enhanced <sup>2</sup>	1,251	1,925	2,364
4 Alberta's children and youth will be supported in reaching their potential	760	799	818
5 Albertans will be healthy	9,060	9,510	9,713
6 Albertans will be self-reliant and independent and those unable to provide for their basic needs will receive help <sup>3</sup>	1,519	1,636	1,766
7 The well-being and self-reliance of Aboriginal communities and people will be improved	36	39	39
8 Alberta will have a financially stable, open and accountable government	1,083	1,143	1,056
9 Alberta will have strong and effective partnerships with municipal, provincial, territorial, federal and foreign governments	394	380	379
10 Alberta will be a fair and safe place to work, live and raise families	959	911	1,168
11 The high quality of Alberta's environment will be sustained	189	193	200
12 Albertans will have the opportunity to participate in community and cultural activities and enjoy the province's historical resources and parks and protected areas	294	328	388
13 The vitality and independence of Alberta's seniors will be supported <sup>3</sup>	338	427	435
<b>Total Program and Debt Servicing Expense</b>	<b>24,153</b>	<b>25,826</b>	<b>26,991</b>

## 2005-06 Expense by Goal by Ministry<sup>1, 3</sup>

(millions of dollars)

	Goals													Total
	1	2	3	4	5	6	7	8	9	10	11	12	13	
Legislative Assembly	-	-	-	-	-	-	-	67	-	-	-	-	-	67
Aboriginal Affairs and Northern Development	-	-	-	-	-	-	39	-	-	-	-	-	-	39
Advanced Education	-	1,723	-	-	-	-	-	-	-	-	-	-	-	1,723
Agriculture, Food and Rural Development	1,080	-	-	-	-	-	-	-	-	-	-	-	-	1,080
Children's Services	-	-	-	818	-	-	-	-	-	-	-	-	-	818
Community Development	-	-	-	-	-	-	-	-	-	6	-	304	-	310
Economic Development	43	-	36	-	-	-	-	-	-	-	-	-	-	79
Education	-	4,600	-	-	-	-	-	-	-	-	-	-	-	4,600
Energy	142	-	-	-	-	-	-	45	-	-	14	-	-	201
Environment	-	-	-	-	-	-	-	-	-	-	143	-	-	143
Executive Council	-	-	-	-	-	-	-	25	-	-	-	-	-	25
Finance	18	-	-	-	51	-	-	182	282	23	-	-	-	556
Gaming	143	-	-	-	-	-	-	10	-	-	-	84	-	237
Government Services	4	-	-	-	-	-	-	3	-	79	-	-	-	86
Health and Wellness	-	-	-	-	9,198	-	-	-	-	-	-	-	-	9,198
Human Resources and Employment	5	270	2	-	-	450	-	15	-	38	-	-	-	780
Infrastructure and Transportation	17	310	2,321	-	379	-	-	370	-	34	24	-	7	3,462
Innovation and Science	197	-	-	-	-	-	-	-	-	-	-	-	-	197
International and Intergovernmental Relations	-	-	-	-	-	-	-	-	10	-	-	-	-	10
Justice	-	-	-	-	-	50	-	-	-	252	-	-	-	302
Municipal Affairs	-	-	-	-	-	-	-	30	87	182	-	-	-	299
Restructuring and Government Efficiency	-	-	-	-	-	-	-	61	-	-	-	-	-	61
Seniors and Community Supports	-	-	-	-	85	1,252	-	-	-	-	-	428	-	1,765
Solicitor General and Public Security	-	-	-	-	-	14	-	-	-	402	-	-	-	416
Sustainable Resource Development	133	-	5	-	-	-	-	-	-	152	19	-	-	309
<b>Total Program Expense</b>	<b>1,762</b>	<b>6,903</b>	<b>2,364</b>	<b>818</b>	<b>9,713</b>	<b>1,766</b>	<b>39</b>	<b>808</b>	<b>379</b>	<b>1,168</b>	<b>200</b>	<b>388</b>	<b>435</b>	<b>26,743</b>
Debt Servicing Costs	-	-	-	-	-	-	-	248	-	-	-	-	-	248
<b>Total Program and Debt Servicing Expense</b>	<b>1,762</b>	<b>6,903</b>	<b>2,364</b>	<b>818</b>	<b>9,713</b>	<b>1,766</b>	<b>39</b>	<b>1,056</b>	<b>379</b>	<b>1,168</b>	<b>200</b>	<b>388</b>	<b>435</b>	<b>26,991</b>
Pension Provisions	-	-	-	-	-	-	-	-	-	-	-	-	-	200
<b>Total Expense</b>	<b>1,762</b>	<b>6,903</b>	<b>2,364</b>	<b>818</b>	<b>9,713</b>	<b>1,766</b>	<b>39</b>	<b>1,056</b>	<b>379</b>	<b>1,168</b>	<b>200</b>	<b>388</b>	<b>435</b>	<b>27,191</b>

<sup>1</sup> The allocation of expense by goal is derived from the Expense by Function amounts in the 2005-06 Consolidated Statement of Operations. For Goal 14, see Capital Plan Investment under the Goal 14 Discussion and Analysis.

<sup>2</sup> The outcomes of Goals 1 and 3 are complementary; therefore, spending on either goal significantly affects the outcome of the other goal. Spending is allocated to the respective goals based on the current priority of the program spending.

<sup>3</sup> Goal 6 expense amounts were adjusted from those published in the 2005-08 Strategic Business Plan to report lodge assistance funding under Goal 13, instead of Goal 6, as the funding is primarily directed at seniors.

## Expense by Core Business<sup>1</sup>

(millions of dollars)

	2004-05	2005-06	2005-06
	Actual	Budget	Actual
Health (Linked to Goal 5)	9,060	9,510	9,713
Education (Linked to Goal 2)	6,370	6,754	6,803
Human Support Services (Linked to Goals 4, 6 and 13)	2,458	2,684	2,721
Transportation, Communications and Utilities (Linked to Goals 1 and 3)	1,225	1,889	2,329
Agriculture, Resource Management and Economic Development (Linked to Goals 1 and 3)	1,926	1,816	1,798
Protection of Persons and Property (Linked to Goal 10)	959	911	1,168
Regional Planning and Development (Linked to Goals 7 and 9)	421	409	408
Recreation and Culture (Linked to Goal 12)	294	328	388
Environment (Linked to Goal 11)	189	193	200
Housing (Linked to Goals 6 and 13)	160	179	288
General Government (Linked to Goals 8 and 9)	789	862	817
<b>Total Program Expense</b>	<b>23,851</b>	<b>25,535</b>	<b>26,743</b>
Debt Servicing Costs (Linked to Goal 8)	302	291	248
<b>Total Program and Debt Servicing Expense</b>	<b>24,153</b>	<b>25,826</b>	<b>26,991</b>
Pension Provisions	176	141	200
<b>Total Expense</b>	<b>24,329</b>	<b>25,967</b>	<b>27,191</b>

<sup>1</sup> The government's core businesses correspond to the Expense by Function amounts in the 2005-06 Consolidated Statement of Operations except for Human Support Services which corresponds to the Social Services expense function. See Core Businesses Key below.

### Core Businesses Key

The following is a brief description of the general areas of the government's work for each of its core businesses.

**Agriculture, Resource Management and Economic Development** – includes programs and services related to agriculture, fish and game, oil and gas, forestry, economic development for industry and trade, tourism and other economic sectors, labour force development and immigration, and research establishments. Also includes provincial grants for related capital infrastructure.

**Debt Servicing Costs** – includes interest and other charges pertaining to servicing of the public debt, including debt-servicing costs for accumulated debt obligations, which are matched to investments locked into the Debt Retirement Account.

**Education** – includes early childhood services to secondary education (e.g., school boards, schools, teachers, curricula, textbooks and classroom resources), post-secondary education (e.g., universities, colleges, apprenticeships, industry training and support to adult learners) and retraining (skills upgrading). Also includes provincial grants to local authorities for related capital infrastructure.

**Environment** – includes programs and services related to sustainable environmental management, ensuring safe and adequate supplies of water, actions taken on climate change and protection of the land.

**General Government** – includes the Legislature, the Lieutenant Governor, government and legislative staff and officials, international and intergovernmental relations, and general administration (including budgeting and accounting, tax and revenue collection, and communications).

**Health** – includes health services for all Albertans, including hospital services, medical care, drug programs, preventive care, x-rays, alcohol and drug rehabilitation, and health services for persons with disabilities. Also includes provincial grants to local authorities for related capital infrastructure.

**Housing** – includes housing of seniors, low-income families and those with special needs. Also includes provincial grants for related capital infrastructure.

**Human Support Services** – includes services for people in need including child protection services, income support for adults and seniors, services for victims of crime, provision of legal aid, supports for people with disabilities and support for those unable to work due to illness or disability.

**Protection of Persons and Property** – includes programs and services related to public security, policing, the judicial system, human rights, maintenance enforcement, firefighting, related regulation, labour relations, safe work environments, and correctional and rehabilitation services.

**Recreation and Culture** – includes programs and services related to recreation, sport, culture, historical artefacts and sites, museums, libraries, and provincial parks and protected areas. Also includes provincial grants for related capital infrastructure.

**Regional Planning and Development** – includes community and regional development affairs and services including planning and zoning, Aboriginal communities, and land claim negotiations and settlements.

**Transportation, Communications and Utilities** – includes programs and services related to provincial transportation including air, road and rail transport, telecommunications, pipelines, and gas and electricity utilities. Also includes provincial grants to local authorities for related capital infrastructure.



The Aboriginal Policy Initiative (API) provides a mechanism for Alberta ministries to work together to address issues facing Aboriginal communities and people. The API is one way to address the commitments in Alberta's Aboriginal Policy Framework. The API's purpose is to improve the well-being and self-reliance of Aboriginal people while ensuring that federal roles and responsibilities for Aboriginal peoples are respected.

The API was identified as a priority cross-ministry initiative in 2000-01 and each subsequent year until 2005-06. Over these five years the API has focused on building partnerships, developing collaborative and practical solutions, and strengthening relations between government, Aboriginal communities, industry and other partners. Partnerships and relationships are the foundation for finding long-term solutions to the complex issues involved in improving the well-being and self-reliance of Aboriginal communities and people in Alberta.

In 2005-06, API partnering ministries worked collaboratively to address four priority areas. Seventeen targets were identified under these objectives and each was achieved or exceeded.

### **Improve the health status and well-being of Aboriginal people.**

Significant achievements toward this objective included: provision of leadership and recreation programming to youth in 19 Aboriginal communities; increased awareness and training initiatives for the prevention of HIV, diabetes and addictions; and, development of an Aboriginal Mental Health Framework.

### **Support lifelong learning opportunities for Aboriginal people and promote appreciation of Aboriginal cultures.**

Significant achievements toward this objective included: increased Aboriginal enrollment in apprenticeship programs to over 1,100 participants; creation of Parent Link Centres with an Aboriginal focus; and completion of a needs assessment for on-reserve public library services.

### **Improve the participation by Aboriginal people in the Alberta economy.**

Significant achievements toward this objective included: completion of SuperNet construction to 120 First Nations sites; expansion of the Alberta Aboriginal Apprenticeship Project to Calgary and Lethbridge; and collection of baseline data for off-reserve Aboriginal employment rates.

### **Clarify federal/provincial/Aboriginal roles and responsibilities.**

Significant achievements toward this objective included: development of a Government of Alberta First Nations Consultation Policy on Land Management and Resource Development; and collaboration with external partners to develop and implement urban Aboriginal initiatives in Calgary, Edmonton, and Lethbridge.

Since 1998, the Alberta Children and Youth Initiative (ACYI) has sought to achieve a single purpose – to support the healthy development of Alberta's children and youth through the joint efforts of provincial government ministries, local boards and authorities, families and communities. No single ministry can address the full scope of issues related to children and youth. Navigating through multiple programs and policies can be challenging for parents and professionals who want to access provincial services for children and youth. A coordinated, government-wide effort continues to be critical to ensure that services are integrated and responsive to the needs of children, youth, and families.

ACYI worked collaboratively to implement initiatives that address the following four priority objectives for 2005-06:

**Children and youth are well cared for, safe, successful at learning and healthy.**

ACYI partners worked together to implement initiatives such as an integrated response to family violence and bullying, continued support for early childhood development and positive parenting skills, and initiatives to prevent sexual exploitation of children and youth.

**Families with children and youth with special and complex needs (developmental disabilities, physical and sensory disabilities, health conditions and/or emotional/behavioural disabilities) will benefit from coordinated assessments of needs and integrated planning and delivery of services and supports.**

Key accomplishments include providing targeted information to parents through the Child Disabilities Resource Link telephone line; expanding a multi-disciplinary model for assessing needs and planning services for children with severe disabilities; developing a cross-ministry strategic approach to address issues related to speech-language services and Fetal Alcohol Spectrum Disorder in the province; and

developing a transitional planning protocol for youth with disabilities.

**Children and youth are supported and assisted in making successful transitions in their life, from birth to adulthood.**

Highlights of achievements include proclamation of the *Family Law Act* on October 1, 2005. This new legislation brought all current family law enactment under one piece of legislation. Ten Youth Networks have been established in the province to provide youth with a voice, engage them in their communities and support their future growth and success. Through coordinated efforts with ACYI and strong leadership at the community level, Aboriginal communities are continuing to take positive steps to reduce suicide rates for Aboriginal youth.

**Ministries and regions increase their capacity to collaboratively plan and deliver services that promote the well-being of children, youth and families.**

ACYI partners worked together to enhance integrated and coordinated service delivery for children and youth by delivering cross-sector learning opportunities on collaborating, engaging families, conflict resolution and partnerships, and information sharing. Videoconferencing sites were also established in key areas across the province to enhance distance planning and delivery of services for children, youth and families.

The purpose of the 2005-06 Economic Development and Innovation Initiative (EDII) was to promote economic development and innovation.

A number of significant achievements were accomplished in 2005-06 through ministries working together with business, industry, communities, public institutions and other stakeholders. Some of them are noted below.

To attain this goal, four objectives were established:

**Achieving a more sustainable, innovative and broadly-based economy, built on the strength of our natural capital.**

Bilateral negotiations with the Government of British Columbia aimed at signing a trade enhancement agreement were concluded and the agreement is expected to come into force in 2007. In 2005, the Alberta office in Washington, D.C. began its operations, significantly raising the level of knowledge and understanding in the United States capital of Alberta's key role in the United States energy sector. Machinery and equipment investment in value-added manufacturing and business services increased by 13%, exceeding the 5% target. Additional funding was contributed to endowment funds: \$100 million to the Alberta Heritage Science and Engineering Research Endowment Fund, and \$200 million to the Alberta Heritage Foundation for Medical Research. In Budget 2006, \$100 million was committed to establish a Rural Development Fund and \$500 million for a new Alberta Cancer Prevention Legacy Fund.

**Enhancing the value-added capacity of the natural resources sectors.**

The development of a business case to attract and promote investment in upgrading and refining bitumen into higher value products was advanced through completion of the Bitumen Integration Study. Substantial funding, totalling \$85 million was allocated to agri-food research, development and commercialization. New criteria for forest

tenure renewal were approved. As part of the EnergyINet Strategy, EnergyINet was incorporated and the Innovative Energy Technologies Program was created. Substantial progress was made to implement monitoring and reporting of actual water use by all sectors, as well as to develop a land use policy review process. The Sustainable Resource and Environment Management (SREM) Framework was further implemented through establishment of the SREM Office, and several project specific steering committees and teams.

**Building vibrant and sustainable communities.**

Eight significant regional economic development projects were further developed to build vibrant and sustainable communities. Construction of Alberta SuperNet in 402 rural communities and 27 urban communities was completed, enabling high-speed Internet access to thousands of facilities in the province. An Integrated Manure Utilization System was developed to turn livestock manure into energy, bio-based fertilizers and reusable water. The Minister's Council on Municipal Sustainability was established to assist with clarifying provincial/municipal roles, responsibilities and resources. In addition, 360 municipalities benefited from an increase of \$600 million per year in capital grants for addressing their infrastructure backlogs.

**Ensuring appropriate infrastructure and transportation to support Alberta's economic growth and innovation.**

Major steps were made to ensure appropriate infrastructure and transportation including the approval of a Capital Plan with priority infrastructure investments, the development of cross-ministry guidelines for infrastructure investments and a draft of the Alberta Multi-Modal Strategic Infrastructure Plan.

Considerable work has been accomplished during the 2005-06 year. Continuing work will be managed through the relevant ministries and incorporated in their business plans.

The purpose of the Health Innovation and Wellness Initiative (HIWI) was to optimize Albertans' health by implementing policies and programs that address the key determinants of health, reduce chronic disease and injury, and protect public health from emerging threats. HIWI also sought to better meet Albertans' expectations for accessible and high quality health services by streamlining and coordinating health and social supports, and improving models of care.

As such, in 2005-06, the HIWI focused key efforts on the following:

**Optimize Albertans' health by working collaboratively to reduce chronic disease and injury, and protect public health from emerging threats.**

- The Healthy U campaign, Young Family Wellness Initiative, Diabetes Prevention campaign, and Tobacco Reduction Strategy all raised the awareness of health promoting behaviors.
- Youth detoxification services were enhanced with Alberta Alcohol and Drug Abuse Commission (AADAC) opening 24 new youth detoxification and inpatient treatment beds in Edmonton and Calgary.
- A Pandemic Contingency Plan is being developed, with the draft plan to be completed by June 30, 2006. A cross-ministry government Influenza Plan is also being drafted and will be exercised in May 2006.

**Enhance the accessibility, quality and "seamlessness" of community services to better meet the expectations of Albertans.**

- Continuing care services were enhanced. The MLA task force released the Achieving Excellence in Continuing Care report, and Regional Health Authorities (RHAs) have begun implementing the recommendations. RHAs implemented aging-in-place strategies

resulting in more Albertans receiving community-based continuing care services, and 1,225 new Rural Affordable Living spaces were approved for development exceeding the original goal of 750.

- AADAC successfully implemented two pilot projects designed to enhance addictions and mental health services. An urban-based project focused on ensuring a seamless continuum of services for patients, while a rural-based project focused on enhancing access to services for youth and their families in rural and remote areas.

**Implement integrated policy options for health system innovation.**

- As of March 1, 2006, 14 Local Primary Care Networks are in operation across the province, with another 15 in various stages of development. This exceeded the original target of 12.
- \$25 million in Health Sustainability Initiative funds were distributed to 18 projects to help facilitate utilization and functionality of health facilities.
- The International Symposium on Health was successfully held in Calgary on May 3-5, 2005 and helped lay the groundwork for one of government's top eight priorities: Improving Alberta's Health System – The Third Way.



The Leading in Learning and Skilled Workforce Initiative (LLSWI) was a collaborative partnership among government ministries working together to ensure that an excellent learning system is available to meet the varying needs of Alberta learners of all ages.

Learner success is essential to sustaining Alberta's social and economic wealth whether as a health determinant, a prerequisite of responsible citizenship, or as an economic driver. As Albertans continue to engage in a technologically-driven, rapidly changing, and increasingly global world, learner success will be critical. However, Albertans will not only need to learn new knowledge and skills, they will also need the ability and motivation to learn continuously throughout life. Alberta students should learn how to learn, seek ideas and information, collaborate with others, and know how to apply what they learn. This approach to learning will serve to help all Albertans, including the aging population, keep pace with the changing demands of the knowledge economy. In short, Alberta's continued prosperity is dependent on a strong culture of lifelong learning – a culture that values learning that occurs at any stage in an individual's life, through different learning styles, in a variety of environments, and for a variety of purposes.

The purpose of the LLSWI was to have the best learning system in Canada where Albertans acquire and apply leading edge knowledge and skills to foster innovation, to ensure a highly skilled, knowledgeable workforce, and to enjoy a high quality of life while being active and responsive citizens.

Alberta's 2005-06 LLSWI had four objectives:

- provide high quality, accessible and affordable learning opportunities to ensure that Albertans have the opportunities to learn, adapt and develop new knowledge and new skills;

- assist Albertans to achieve their full potential and to foster a superior quality of life for Albertans;
- ensure a sufficient supply of human capital to meet Alberta's economic growth; and
- ensure sustainability and innovation within the learning system.

Notable achievements for 2005-06 in support of the LLSWI objectives included:

- the Alberta Initiative for School Improvement, which provided funding for over 450 local innovative programs and projects now underway in the Kindergarten to Grade 12 system;
- an investment of over \$551 million in just two years (three years ahead of schedule) in support of the 87 accepted recommendations of Alberta's Commission on Learning;
- an additional investment of \$433 million over three years, operating budgets for post-secondary institutions are increasing, new and expanded scholarship programs are being created, and thousands of new student spaces are being added;
- Albertans applying online for student loans, grants and bursaries now have access to a new online financial application system that allows instantaneous processing;
- the Supporting Immigrants and Immigration to Alberta policy was released this year. It aims to attract and retain more immigrants to the province to help fill the skills shortage; and
- in support of research and skills development in the energy, agriculture and forestry sectors, an estimated \$22.4 million was invested through the Alberta Science and Research Investment Program.



